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**MALE BREADWINNER
HOUSEHOLDS AND WORK:
ALTERATIONS IN THE
TRANSITION TO A LIBERAL
WELFARE REGIME**

**A thesis presented in partial fulfillment of the requirements for the degree of
Doctor of Philosophy in Social Policy at Massey University, Palmerston North,
New Zealand**

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ABSTRACT

This thesis examines how the nexus between households and work in New Zealand has been altered by the transition from a wage earner cum social expenditure welfare regime to a liberal welfare regime. The proposition that welfare regimes are characterised by distinctive institutional arrangements and labour market outcomes is explored at the micro-level through household life and work histories. Life and work history data from a small number of Palmerston North male breadwinner households was used to examine the way individuals' lives have been affected by the institutional context at distinctive historical epochs. The thesis discusses the implications for household labour market activity and experience in each regime. Strong cultural and normative continuities are noted despite the trend towards dual earner households. Variation in the potential for labour market mobility across regimes is observed in terms of changing opportunities for skill acquisition. Change in the experience of unemployment and subsequent labour supply responses is examined. Increasing employment insecurity is found to be an outcome of increasing risk of job loss, declining levels of input into jobs and declining levels of protection from adversity in employment relationship. With fewer employment opportunities in the liberal regime, yet with increasing welfare selectivism, the nexus between households and work is found to be characterised by a greater level of income necessity. Households' responses include the supply of "additional" labour - an added-worker effect - whereby they take whatever work can be found, often lower paid and with poor conditions. The examination at the micro-level of how household labour market activity and experience had been altered by the transition to the liberal regime was found to enhance the understanding of change in the interface between work and welfare.

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1

INTRODUCTION

The labour market has historically been central to New Zealand's welfare state arrangements. The relationship between welfare and the labour market is captured in Castles' (1985) classification of the "wage earners' welfare state". The roots of New Zealand's social protection policies can be found in the industrial conciliation, arbitration and incomes policies dating from the 1890s, complemented by largely means-tested benefits and pensions for those outside of the labour market. The resulting state regulation of wage levels, embellished after the Great Depression with Keynesian demand management and tariff protection of local industry, provided for a minimum standard of living for wage earners and their dependants. With full employment, a relatively high level of social protection was achieved from the end of World War II up until the early-1980s (Castles 1994a:6-7). The distinctive relationship between the welfare state and the labour market resulted in what has been called "social protection by other means", and it is this form of social protection which differentiated the antipodean model from northern hemisphere welfare states for most of the post-war period (Castles 1989; Castles and Shirley 1996:99).

In the mid-1980s the fundamentals were changed. From the late-1970s, the influential institutions of the Reserve Bank and Treasury promoted the view that the labour market

functioned better without the distorting effects of welfare state intervention (cf Bertram 1993; Goldfinch and Roper 1993:62-64). The influence of Friedmanite and supply-side economics resulted in a preoccupation with micro-level investment, savings and employment decisions. In each of these spheres of economic activity, state spending and taxation were presented as having negative outcomes. The relationship between the welfare state and the labour market was perceived, largely, as being limited to the disincentive effects of welfare benefits on employment seeking activities (Goldfinch and Roper 1993:63). As well as promoting a culture of dependency, welfare state assistance was regarded as a problematic drain on government resources, a limit to saving, wealth creation and investment and, therefore, detrimental to national economic prosperity.

The decade of welfare state "reform" after 1984, whereby the neoclassical formula supplanted previous Keynesian strategies, involved, in large part, attempts to limit alleged negative effects of "welfarism" on the efficient functioning of the economy and the labour market. A negative interpretation of the effect of state intervention in the economy in general and on the operation of the labour market in particular, was central to the programme of reform, particularly after 1990. Institutionalised structures for the protection of local industry and the advancement of welfare were described by market-reform advocates as the "giant obstacle to progress" (Kerr 1991:92). Chief among these was the tradition of labour market regulation. Appeals were made to get "Back to Basics" (Myers 1990) - that is, to an idealised order where the market was the primary institutional arrangement. The freer reign of market forces unencumbered by "distorting" welfarist activity was the philosophy which underpinned the reforms (cf Olafsson 1992:36).

The implementation of the neoclassical policy agenda coincided with significant changes in the labour market. Apologists for the neoclassical strategy have emphasised the greater freedom employers and workers now have to enter individually tailored employment contracts (see, for example, Myers 1992).¹ They have argued that men and women have had greater choice and flexibility in arranging their paid work to meet their particular

¹ Kelsey (1995:206), in her analysis of labour market deregulation, lists further sources indicating the New Zealand Business Roundtable and Employers' Federation support.

individual or family needs (see Du Plessis 1993 for comment on this). Other interpretations of the trends, though, paint a different picture. Following the displacement of the goal of full employment (by a preoccupation with controlling inflation), unemployment was seen to have become a structural feature of the New Zealand economy (Kelsey 1995:10); the threat of redundancy became commonplace and the notion of the right to a job disappeared; employment conditions were reduced in an environment of high unemployment (Shirley et al 1990); the standard 40 hour per week job was threatened and rates of part-time, casual, temporary or other forms of non-standard employment purportedly increased (Department of Statistics 1993a); the mean disposable income for all households declined (see Mowbray and Dayal 1994); and unions as a form of collective organisation and protection were seriously weakened (Walsh 1992). Each of these trends points to important alterations in the nexus between households and work. The assurance of access to employment, the nature of the experience on the job, and the adequacy of income from work have all been altered by the institutional rearrangements from the mid-1980s.

Whilst there may be alternative interpretations of the success of welfare state reforms, there is no doubt that irrespective of the view held, there has been a significant change in the relationship between the labour market and the welfare state over the last 12 years. This thesis is concerned with these historical developments, but also stems from a desire to investigate the proposition that "something is wrong" at the interface between the welfare state and the labour market in New Zealand (cf Kolberg and Esping-Andersen 1992:3), a proposition which is connected to the re-emergence of the neoclassical orthodoxy and the resulting initiatives to extricate the economy from broader social relations. The objective of this research is to answer the question: how has the nexus between work and households been altered by the transition to a liberal welfare regime?

In attempting to illuminate coincidences in changes in the labour market and the shift to a new welfare regime, the research will make use of complementary data from both a macro-social level and a micro-household level. This introductory chapter has two main objectives. First, it will review approaches to conceptualising the relationship between households and work and their interface with the welfare state and, second, it

will introduce the historical comparative approach to the study.

INTERPRETATIONS OF THE NEXUS BETWEEN HOUSEHOLDS, WORK AND WELFARE

Mainstream economics is underpinned by a series of assumptions about the inter-relationship between the welfare state and labour market. While these assumptions are rarely spelt out, two perspectives which are representative of the basic positions regarding the question of how work fares in the modern welfare state can be distinguished (Olafsson 1992:36). One advances the negative and the other emphasises the positive impact of the welfare state on the labour market. The nature of the relationship and the resulting prescription of ideal institutional arrangements differs according to the perspective adopted. The neoclassical view, which assumes welfare states generally have a negative impact on the labour market, tends to be concerned with ensuring the free operation of markets and limiting interference with incentives to work. The institutional view tends to be more positive and endeavours to take account of the multifarious nature of influences of labour market activity. These two perspectives are reviewed here as the process of observation and the attribution of meaning is framed by the perspective that is held.

The Neoclassical View

The neoclassical interpretation of activity at the work/welfare interface stems from certain basic assumptions. Foremost amongst these is the notion of the self-regulating economy. From this perspective, the market economy is conceived of as "an ordered and self-regulating mechanism that follows immutable natural laws (akin to laws of natural sciences)" (Goldfinch and Roper 1993:56). Supporters of this view are confident that these laws can be detected through scientific economic analysis (Friedman 1953; Green 1987). The notion of general equilibrium is integral to the neoclassical interpretation of the operation of the economy - that is, an assumption that the market economy always

tends towards a level of equilibrium at full employment where all resources (including labour) are utilised and where all markets clear. The accepted propensity of the economy to move towards general equilibrium at full employment, unless prevented by price inflexibility or market distortions (Goldfinch and Roper 1993:56), is the basis for many neoclassical policy recommendations.

From this perspective, then, there is only a limited role for state management of the economy. Underpinning this position is Adam Smith's (1776:180-181; also in Green 1987:27) belief that there exists or that there can be created a "system of natural liberty" where the role of government is confined to:

... the duty of protecting the society from the violence and invasion of other independent societies;
 ... the duty of protecting, as far as possible, every member of the society from the injustice or oppression of every other member of it, or the duty of establishing an exact administration of justice;
 and, ... the duty of erecting and maintaining certain public works and certain public institutions which it can never be for the interest of any individual, or small number of individuals, to erect and maintain.

This ideal form of government mirrors the neoclassical interpretation of liberty - defined effectively as freedom from state or monopoly coercion (Green 1987:111). Hayek (1960) has been influential in the re-statement of this particular conception of liberty and the re-emergence of neoclassical political economy (see Green 1987). Friedman (1962), too, has been a dominant influence in neoclassicism's re-popularisation, arguing that the protection of individual freedom requires the removal of possible sources of coercion, the government being the most threatening likely source (see also Green 1987:73-74).

Methodological individualism is also a key premise of the neoclassical labour market model. As a consequence of this principle, there is a propensity to explain labour market processes in terms of interactions between individual workers and employers (Marsden 1986:20). In these interactions, workers and employers are treated as utility maximisers - workers motivated to maximise utility and firms motivated to maximise profits (Adnett:1989:10). Utility maximisation tends to be defined according to the concept of "*homo economicus*", the assumption that people respond most effectively to monetary inducement. Adam Smith (in Olafsson 1992:38) mirrored this assumption when he asserted that, "the wages of labour are the encouragement of industry, which, like every

other human quality, improves in proportion to the encouragement it receives". As Marsden (1986:20) describes, economic man is conceived of as "an individualistic utility maximiser". Such a view of behaviour assumes that the work activities of individuals are primarily designed to maximise their wage-earning potential. It is the opportunity for economic returns that is held to provide an incentive for effort in the market place.

Given the subscription to methodological individualism, the employment relationship is seen as a private contractual relationship between the two parties involving the buying and selling of services (Deeks et al 1994:83). This results in logical priority being given to micro as opposed to macro analyses. Collectivities, such as class-based interest groups (business associations, trade unions), are held to be clusters of independent individuals (Hayek 1979:90-97; King 1987:12; Goldfinch and Roper 1993:57). Neoclassicism, therefore, is suspicious of explanations posited in terms of institutions, collectives and customs.

The natural laws of the market are held to be the most effective means of organising the process of buying and selling goods and services, including labour services (Gimble 1991:625). Accordingly, the labour market is held to have its own coherent logic by which it achieves a balance between supply and demand in the workplace. Individual workers, concerned primarily with maximising their wages, sell their labour on the basis of a price-auction mechanism to competitive employers. Labour supply is basically understood in terms of Say's Law - that supply creates its own demand provided there is no interference in the setting of prices (Bertram 1993:29). Demand for labour is held to be automatically forthcoming, so long as the price of supply is free to adjust.

Underlying the preference for competitive markets is the assumption that most jobs can be performed by a sizable number of workers so long as they have suitable skills (Marsden 1986:21). The clearing of labour markets is therefore held to occur through the intra- and inter-occupational mobility of workers as they hedonistically pursue higher wages (Gimble 1991:626). In the long run, competition, between independent firms wishing to hire labour and individual workers seeking employment, is held to foster a tendency towards wage convergence and income equality, overriding the influence of

short run wage differentials due to market imperfections. From this perspective, then, there is a good deal of confidence that the market is the most efficient means of regulating employment and achieving optimal outcomes.

On the basis of the above assumptions, the neoclassical interpretation of the work/welfare interface tends to assert that welfare states have a negative impact on work and the operation of labour markets. The relationship between the welfare state and the labour market is posed in terms of a zero-sum trade-off between welfare and efficiency (Esping-Andersen 1990:147). Okun (1975 in Olafsson 1992:37) defined the trade-off as occurring within the uneasy marriage between markets and democracy. He maintained that markets and democratic politics were at many points incompatible, due to contradictions in the elemental principles of each of these facets of social organisation. Markets depend on inequality to perform efficiently while democracy needs equality to be effectual. The argument follows that the equality enhancing social and political rights created by the welfare activities of democratic systems tend towards inefficiency. The use and application of those rights result in a lack of incentive to economise. The ultimate result is that concerns with efficiency tend to be negligible, if present at all.

Under the market, however, goods and services come with a set price. The price mechanism ensures these are "justly" distributed, given the variable rewards and penalties for individual economic activity. The generation of an unequal distribution of income and wealth is an essential outcome, serving to enhance the operation of the incentive structure within the price mechanism. Those who do well, appropriately, earn more, and in the long run their successes promote the general well-being of society. But if the incentive structure is distorted by the provision of social rights and the interference of state regulations, the logic of the market price mechanism is undermined. With the natural system of rewards and incentives corrupted, the market loses its capacity to function effectively and disincentives are created, subverting the need for individuals to exert effort and innovation. The effect at a macro-level, it is argued, is a reduction in the overall efficiency of the economy (see Olafsson 1992).

The neoclassical interpretation of the labour market and welfare state interface became

increasingly influential in informing criticisms directed towards traditional approaches to economic management and welfare provision in New Zealand during the 1980s. The neoclassical ideology and policy agenda were embraced by the New Zealand Treasury in the early-1980s. Given its strategic institutional location within the state apparatus, Treasury played a key role in the historic shift towards a neoclassical policy programme after 1984. Its briefing papers to the incoming governments of 1984, 1987 and 1990 correspond closely with the ideological values and policy prescription of neoclassicism (see Goldfinch and Roper 1993 for an analysis of the correspondence between these Treasury papers and neoclassicism). In a similar fashion, the powerful institutions of the Reserve Bank (see Dalziel 1993), the Employers Federation, and the New Zealand Business Roundtable (see Roper 1993) captured and reframed the policy debate in line with neoclassicism through this period. The tenor of comments by apologists for neoclassicism focused on the inferiority of attempts by "rational" governments and "wise" bureaucracies to modify the private and ideally voluntary exchanges of the market (see Brook 1990:44).

Neoclassicism and Social Policy

The idea of a fundamental conflict between state regulation and the efficient clearing of labour markets ultimately results in the prescription of a laissez-faire approach to economic management. And the belief in the effectiveness of an unfettered market to achieve a just and efficient allocation of supply and demand leads naturally to the residual social policy agenda. From this perspective, analyses of the interface between the welfare state and the labour market tend to focus on the study of the negative incentive effects of social security on labour supply (see Brosnan et al 1989; McLaughlin et al 1989).

While the neoclassical position emerged with new vigour in the 1980s in New Zealand, the historical impact of this interpretation of the work/welfare interface has been the separation of the treatment of economic policy and social policy. In the field of social policy, Esping-Andersen (1991:1) notes that most of the welfare state theory that emerged throughout the post-war period neglected the labour market in a fashion similar

to the way that most labour market theory presumed the institutional absence of the welfare state. As a consequence, the tradition of social policy developed on the understanding that it should not interfere with labour market mechanisms. Esping-Andersen (1990:146) maintains that:

The architects of early welfare policies were adamant about the principle that social protection was to be limited to those unable to function in the labour market: the old, infirm, sick, and unemployed. The principle of prohibiting welfare policy from shaping labour-market decisions was obvious in nineteenth-century poor relief, with its ideology of 'less eligibility'; ... and also in early social assistance schemes, where means-tests and low benefits assured that the marginal utility of working remained substantially higher than that of depending on welfare.

These assumptions have, by and large, been maintained in post-war social policy developments. Titmuss (1974) had attempted to broaden the scope of the analysis of social welfare to include fiscal and occupational welfare. In specifying occupational welfare, he recognised the need to include the labour market as an important variable in determining the welfare of citizens. In so doing, he drew attention to the centrality of labour market institutions in distributing social and material benefits. Rein and Rainwater (1987:147) suggest that Titmuss's emphasis on the superiority of public sector redistribution (what he referred to as 'social welfare' provided outside of the marketplace) led to a de-emphasis of the analytic importance of occupational welfare. They suggest that Titmuss was concerned not to place too much analytical attention on the role of occupational welfare on the grounds that it would undermine the broader aims of public sector redistribution in the realm of social welfare. They conclude, therefore, that while his arguments are a significant development in the programme to achieve a more integrated approach to the study of social policy, in effect he was largely unsuccessful in achieving a broadening of the field to include the labour market in analyses.²

² Wilding's (1992) summary of developments in the discipline of social policy during the 1980s noted the growing importance of a broader cross discipline approach to the study of the welfare state. The rejection of accepted models of the state's role in social provision by the New Right meant social policy as an area of study became more obviously a matter of ideology and politics. Within these developments was a growing acceptance that the welfare state could no longer be studied in isolation from economic policy (eg, Gough 1979; O'Connor 1973).

The Institutional View

Kolberg and Esping Andersen (1992) note that the problem of the theoretical absence of the welfare state is less evident in institutional economics. Like Keynesianism, the institutional view accepts the "institutional realities of modern capitalism" (Bertram 1993:29) and emphasises that what occurs in the economy is actually the outcome of instituted processes. Polanyi's (1944) contribution to institutionalism was to outline the way labour markets were the outcome of deliberate political intervention. In his challenge to the liberal account of the evolution of capitalism he asserted that the growing dominance of markets had not occurred spontaneously (see also Block and Somers 1984:56). In his discussion of England's 1795 Speenhamland Act, and its subsequent replacement by the Poor Law Reform of 1834, he focused in particular on the way labour was commodified. The Speenhamland Act was introduced as a response to the structural problems of pauperism that emerged in the late eighteenth century. It provided grants in aid of wages as outdoor relief to the burgeoning rural poor. Speenhamland was discussed in some depth by Polanyi as a type of social protection policy which was based on the principle of the "right-to-live" outside of the market. As such, it prohibited the transformation of labour power into a pure commodity. The Speenhamland Act was repealed in 1834 and the subsequent Poor Law Reform eliminated outdoor relief to the unemployed and forced those displaced workers in the countryside into the workhouse as the only alternative to the new factories. Therefore, the rise of the labour market did not occur spontaneously but was, as Polanyi (1944) argues, "institutionalised" by the political intervention of the Poor Law Reform - a heavy handed, active social policy designed to establish the dominance of the market in the distribution of welfare (Esping-Andersen 1990:36).

Polanyi's (1944) approach emphasised the centrality of welfare policies in creating labour markets. He referred to the process of societal commodification through the expansion of markets during the rise of capitalism as a cultural phenomenon (see DiMaggio 1990:115). At a cultural level, these social policies created the conditions under which working for wages came to be seen as the natural and "right" way to live (see also McLaughlin et al 1989:3).

The institutional account, therefore, rejects the neoclassical view that markets are the all embracing institutional framework. Rather, it maintains that it is institutionalised social and economic relations which are central to determining activity and experience in the labour market. The position that labour markets function along the same lines as commodity markets and that individual behaviour is governed by utility maximisation is therefore challenged. As Boje (1986:173) notes, "social structures and institutions ... determine the sale, purchase and price determination of the individual's work".

There is a certain overlap between the institutional view and Keynesianism in the rejection of the neoclassical analysis of the labour market and recognition of the pervasive role of the institutions of late capitalism in conditioning behaviour in such markets (see Seccareccia 1991:43). Keynes (1936) argued that the principles of classical theory were applicable only to specific instances in the economy and not to its "general" character - hence the 'General' Theory of Employment, Interest and Money. In opposition to the neoclassical accent on the principle of individual choice, Keynes emphasised that individual choice was in fact remarkably limited, being restricted by specific institutional configurations, the historical origins of which lay in attempts to deal with the uncertainties of market economies (Seccareccia 1991:46).

Keynes' critique of the classical theory of employment challenged assumptions about the impossibility of involuntary unemployment. The neoclassical position tended to explain unemployment as voluntary, owing to agreements among workers not to work for less than a desired sum. Implicit was the assumption that unemployment persisted only if the state, the trade unions or some other institution prevented the unemployed from offering their services at lower wages and so from setting in motion the automatic mechanism which led to equilibrium and full employment (Lerner 1949:115). Keynes attacked the premise that the economy tended towards a natural level of equilibrium at full employment. He stressed the relative slowness of markets to adjust to supply and demand, and the negative social outcomes that accompany market adjustment. According to Bertram (1993:32):

He considered that 'the system is not self-adjusting', and, indeed, 'seems capable of remaining in a chronic condition of subnormal activity [characterised by high unemployment] for a considerable period of time without any marked tendency towards either complete recovery or towards complete

collapse'.

In neoclassical theory, real wages were the sole determinant of the supply of labour and an oversupply could be cleared by a reduction in the real wage. Keynes showed that premise to be false when price increase driven, real wage reductions failed to increase employment. More fundamentally, he argued that the assumption that the general level of real wages depended on the money wage bargains between employers and workers was false, and therefore labour could not reduce its real wage by making money wage bargains to achieve a new equilibrium level that would allow full employment. Attempts to reduce real wages only brought about a proportionate fall in prices and consequently no change in real wages.

Keynes (1936) set out the substance of his theory in a chapter entitled "The Principle of Effective Demand". Keynes argued that effective demand - the actually realised demand in the economy - could be deficient and set at a level of stable equilibrium below full employment. Using the principle of effective demand and the likelihood of demand deficient equilibrium, he gave theoretical license for government intervention and spending, be it on public works or public policy, for maintaining buoyant economic activity, high levels of employment and decreasing involuntary unemployment. He therefore promoted a positive view of the role of the state in work and emphasised the potential for governments to stimulate demand and thus promote growth in employment. While the actual mechanics of the welfare state, as such, were not an explicit concern, Keynesianism emphasised that the institutional realities of modern capitalism did not leave the economy free to adjust without restriction.

The institutional perspective, then, proposes that the institutions of late capitalism influence the structures of supply and demand for labour in a much more critical way than is recognised in neoclassical theory. The regulation theory variant within institutionalism discusses these in terms of the "institutional forms, societal norms, and patterns of strategic conduct" (Jessop 1990:170) which act as modes of cohesion for society. A method, or mode, of regulation, is said to comprise "all the mechanisms which adjust the contradictory or conflictual behaviour of individuals to the collective

principles of the regime of accumulation" (Lipietz 1992:2). These include the habits and norms of employers and workers. However, it is institutionalised formations, defined by Boyer (1988:8) as the "economic, political and legal features of social relations", which are the most important.

While institutional perspectives do give attention to the institutions and social groupings which structure labour markets, they have rarely examined the welfare state as an intrinsic or endogenous variable (Esping-Andersen 1990:145). Rather, the focus has tended to be on industrial relations institutions and their role in dominating market forces. Brosnan et al (1991), for example, have provided an account of the historical structuring of the New Zealand labour market but did not incorporate the welfare state as a key variable. Kolberg and Esping-Andersen (1992:7) note, therefore, that subsequent models, such as the insider-outsider labour market or the dual/segmented labour market, have failed to give due regard to the welfare state.

Furthermore, the metaphor of the transition from the broad institutional arrangements of Fordism to post-Fordism, as used within regulation theory, refers to developments in the historical stages of capitalism and not necessarily to changes in politically determined welfare regimes. As Castles (1994a:36) notes, the use of the post-Fordist metaphor is more appropriate for the description of "the dilemma" of the economic crises in the late-1970s "rather than the responses to it". The errant outcome, as Castles (1994a) notes, can be the conflation of "welfare regime" with historical "stage in capitalism".

While the focus of institutional perspectives has tended to be on industrial relations arrangements or patterns of industrial organisation, Myles (1990) has integrated propositions from the regulation approach with the study of developments in the welfare state. He notes that the historically contingent Fordist institutional complex, which emerged out of the 1930s depression and World War II, had distinctive welfare and labour outcomes. Important outcomes were historically high wages, stability of employment, security of income, and a retirement income at a level to maintain past living standards. The result was a particular type of life course for those in the core

sector of the economy - what Myles (1990) refers to as the Fordist life course. That was, essentially, a life course for adult males (Myles 1990:274-5):

Men would have high levels of employment at high wages and be allowed to retire with a retirement wage. Women and children would live mainly from wages and be supported by the income security programs made available to men.

Regulation theory emphasised the contingent nature of institutional arrangements and was concerned with explaining the history of their decomposition and replacement by new modes of regulation. Myles' (1990) concern was with the demise of the Fordist regime in the 1970s and 1980s, as evident through changes in labour market institutions, family arrangements and state welfare policies on which the Fordist life cycle was erected. His focus was on how a move towards a new type of labour market and a new type of welfare state was resulting in a new kind of standard life-cycle. His approach is therefore instructive in terms of offering a method for the consideration of historical welfare and labour regimes.

Esping-Andersen (1990) has also synthesised the institutional economics agenda of explaining labour market outcomes in terms of their institutional context with the study of welfare states. In drawing attention to the direct influence welfare state programmes had as systems of social stratification and decommmodification, and as independent causal variables in the labour market, he articulated the need to adequately conceptualise the interaction that occurs between welfare states and labour markets. The central thesis in the second part of his study was that the social democratic, conservative and liberal welfare regimes he had earlier identified, were systematically related to particular employment or labour market outcomes. The peculiarities of welfare states, in terms of their regime-type, he suggested, were reflected in the organisation of work and labour markets.

Accordingly, he asserted that in conservative welfare regimes, state welfare maintained and reinforced existing status and class differentials. The state (rather than the market) was important in the delivery of welfare, but tended not to encourage redistribution or equalisation. These welfare state types were dominant where Catholic parties were strong and left parties weak. They tended to promote the maintenance of traditional family

norms and state intervention occurred only when the family could not resolve its own problems. The benefit system tended to encourage motherhood and the entry of married women into the labour market was discouraged. Collective forms of child care were underdeveloped. Traditional labour market hierarchies were maintained and there was a strong tendency towards the encouragement of labour market exit and reduced labour supply in times of economic recession.

Liberal welfare regimes, with their emphasis on market-based social insurance and the use of means-testing in the distribution of benefits, had few, if any, universal transfer payments. Welfare assistance was largely oriented towards a class of poor who were dependent on the state. Benefits were limited and stigmatised on the assumption that high levels of assistance reduced incentives to work. Private welfare schemes were encouraged and in some cases actively subsidised. Liberal regimes tended to be in highly differentiated and stratified societies with a relative equality of poverty among state welfare recipients, and market differentiated welfare among the rest. There was a tenuous commitment to full employment and a small state sector employment profile. These institutional set-ups had a well developed system of private sector welfare services within which workers faced a large disparity between "good" and "bad" jobs. There was also a sizable managerial sector to administer the large fringe benefits programmes, such as work-based health and super schemes, in the absence of welfare state provisions. The managerial sector also performed some of the functions provided by unions in highly unionised regimes.

Social democratic welfare regimes were characterised by principles of universalism and equality. The result was the encouragement of equality across classes, based on high standards of services. Benefits were provided at levels acceptable (and attractive) to middle class groups. Members of the working class had access to the same rights as those of the middle class. The market was crowded out, and an essentially universal solidarity in favour of the welfare state was constructed. The state had taken on and socialised many aspects of traditional family responsibilities (such as providing support for children and the old), thus effectively encouraging individual independence, particularly for women who chose to work. Full employment was a central element,

reducing the need for income support and making it possible to pay for the costs of welfare. There was a large welfare state employment component in the labour market profile. Socially provided services such as child care, health and education, allowed women to work and also created a large labour market in which they could find employment. There were, therefore, high labour force participation rates for women.

Following Esping-Andersen's delineation of these welfare state and labour market regimes, debates over the precise nature of regime-types have emphasised the dangers of trying to compress the study of welfare states into a limited number of categories. Cass (1995:2) notes the importance of "different conceptual 'lenses'" in the process of regime-type categorisation. Castles and Mitchell (1990), for example, focus on the concept of redistribution as opposed to Esping-Andersen's concentration on decommodification. As a consequence, they conclude that Esping-Andersen's classification of Australia's and New Zealand's welfare regimes as liberal welfare states does not do justice to the equalising outcomes of the antipodean model. With the focus on the concept of redistribution, Castles and Mitchell (1990) arrive at the categorisation of the Australian and New Zealand welfare states as a type of "radical redistributive" model. As such, it has its own distinctive labour market outcomes.

The notion of welfare state regimes has been approached with the more specific focus of a feminist lens by Lewis (1992) and Cass (1995). Their concern was with the way different welfare regimes treated the market and the non-market, family-based caring work of women. In these terms, they were concerned with the way cultural expectations around the "male breadwinner model" were institutionalised into welfare regimes. They distinguished between strong male breadwinner regimes, modified male breadwinner regimes and dual breadwinner regimes.

Strong male breadwinner regimes were those with an equivocal stance towards women as paid workers and carers. As with Esping-Andersen's conservative welfare regime, the consequence was the construction of women's role as the "natural" providers of family care. The employment of married women in these regimes tended to be insecure and part-time, there were very low levels of public child care provided and limited

entitlement to paid and unpaid maternity leave (Cass 1995:5). Modified male breadwinner regimes had a stronger history of full-time labour force participation by women, a definite commitment to child care provision and "a social security system which has given priority to horizontal redistribution to families with children" (Cass 1995:5). In these regimes, however, a cultural ambivalence persisted. While recognising the reality of women's paid and unpaid work, they also tended to continue investing patriarchal control in husbands. Dual breadwinner regimes treated men and women as citizen workers, as well as recognising women's claims as mothers through the provision of parental leave schemes and the like. Social entitlements for all adults were dependent on employment status. Higher benefit levels and social service provision, especially in child care, made it easier to combine paid and unpaid work (Lewis 1992:169). The delineation by Lewis (1992) and Cass (1995) of regime types according to the institutionalisation of male breadwinner norms points to the way in which cultural constructions about the appropriateness of gender roles both inform and are reinforced by welfare regimes.

What the above studies point to is an approach to the analysis of welfare states and their relationship with labour markets through the identification and comparison of regime characteristics. Such an approach leads to the conclusion that prominent factors in determining labour market outcomes include the institutionalised characteristics of a nation's welfare state. Among these are: the relative emphasis of state welfare in maintaining or alleviating social inequalities; its role in reinforcing traditional family norms and gender roles; its position in relation to the private sector in the direct provision of welfare services; and its role as an arbitrator or referee in relations between workers and employers. Different types of welfare state activity in each sphere can be expected to result in correspondingly different labour market outcomes.

The Advantage of an Institutional View

Apart from the concern with the negative effects of regulation and welfare on labour supply incentives, the welfare state is largely absent from the neoclassical literature on labour markets (cf Esping-Andersen 1990:141-2). Analyses of the labour market

ultimately tend to be restricted to scrutiny at the micro-level of the effects of variation in income on the behaviour of workers. The neoclassical perspective treats labour markets as if they were disembodied from their social and institutional context - including those measures by which societies seek to offer social protection. As Stanfield (1980:610) noted, in "[t]he *experiment* of market capitalism ... the economy is disembodied and conceived to run as an autonomous, self-regulating sphere of human activity".

By contrast, the institutional view poses that the labour market is an instituted or created process. It recognises that the labour market is submerged in institutional and structural relationships and rejects the notion that it is separate from the web of social and political life. Furthermore, while neoclassicism is oriented towards the pronouncement of a series of universal laws, the institutionalist interpretation provides for the accounting of historical variability in the nature of institutional relationships. As Esping-Andersen (1990:12) notes, "the comparative and historical method that, today, underpins almost all good political economy is one that reveals variation and permeability".

For these reasons, the institutional interpretation of the work/welfare interface will be adopted for the exploration of the historical inter-relationship between the welfare state and labour market in New Zealand. Where the neoclassical approach restricts the focus to linkages between the income and regulation effects of state involvement, the institutional approach provides for a broader-based analysis that will allow linkages to be drawn between the framework of social policy and the behaviour of labour markets.

Welfare and Labour Regimes

The key objective of this research is to examine how the nexus between households and work has been altered by the transition to a liberal welfare regime. The concern to examine the nexus between households and work in terms of the transition from one welfare regime to another necessarily involves the consideration of developments in the institutional interaction between the welfare state and the labour market. In undertaking this examination, the notion of either a welfare or labour *regime* will be employed as an

organising concept. It is preferred for several reasons. First, the notion of welfare regime accommodates a broad definition of the welfare state. As Esping-Andersen (1990:2) notes, the term welfare state is too often narrowly confined to a limited range of conventional welfare policies. A broader view of the welfare state allows issues of employment and macroeconomic policy to be considered. It places the focus on the institutional level in terms of what Kolberg and Esping-Andersen (1992:27) refer to as "the legislative set-up of relevant programmes". These legislative set-ups, or regime characteristics, refer to such elements as welfare coverage, eligibility, and level of compensation. They can extend between, on the one hand, general macroeconomic policy, subsidies and labour market policies and, on the other, social security, retirement and education policies (Kolberg and Esping-Andersen 1992:33). They also include the balance of the public-private mix in the delivery of social services. In this research, the specification of the historical regimes will be wide ranging and will not limit attention to social services. In this regard, the approach taken coincides with Castles' (1989:18) conceptualisation of the welfare state in Polanyian terms as comprising "the sum of policies designed to protect the individual from the adverse consequences of living in a capitalist market economy".

The notion of welfare regime also allows for the reality of historical variation in welfare states and the avoidance of assumptions about linear growth; for example, from the poorhouse to the welfare state (cf Therborn 1987:237). Use of the notion, then, allows recognition of the fact that "politics matter". Historically different combinations of policy options chosen by political actors result in qualitative and quantitative differences in the actual welfare that is delivered (cf Esping-Andersen 1990:2-3). And these differences may be characterised, as Myles (1990:278) suggests, as "ensembles of social practices and strategic understandings designed to resolve historically specific problems of harmonizing the production of wealth and its distribution".

Finally, the notion of regimes allows reference to the complex inter-relationship between institutional structures. "To talk of 'a regime' is to denote the fact that in the relation between the state and the economy a complex of legal and organizational features are systematically interwoven" (Esping-Andersen 1990:2). Esping-Andersen's (1990)

comparative research identified different menus of policy options which patterned the direct experience of employment, resulting in distinctive "labour market regimes". Implied within the notion of regimes, then, is the pursuit of different development tracks or trajectories (cf Shirley 1982) with qualitatively distinctive arrangements between state, market and family (Esping-Andersen 1990:3,26). The concept accommodates an appreciation of distinctive logics of organisation. By using the concept of regimes, however, the need to declare variables as either independent or dependent is avoided. As Kolberg and Esping-Andersen (1992:4) note in their study of Scandinavian labour market and welfare regimes, the relationship between the institutions is characterised by covariation, interactions and multifarious impacts.

The idea of historical welfare and labour regimes in New Zealand provides for an examination of these institutional complexes and their effects. This research is inspired by similar studies into the relationship between welfare regimes and labour markets where the employment consequences of welfare states are examined in a fine grained and inherently dynamic way. The variety of studies here includes: the examination of the systematic linkages between differing welfare regimes and national labour market outcomes (Esping-Andersen 1990; Kolberg 1992); the impact of welfare states on gender differences in labour force participation (Schmidt 1993); the impact of welfare regimes on male breadwinner patterns of labour supply (Lewis 1992; Cass 1995); the impact of welfare states on the nature of the intersection between the life-cycle and labour markets (Myles 1990); and the impact of public policy in distinctive Catholic nations on labour market outcomes (Castles 1993).

THE METHOD: A MACRO- AND MICRO-SCOPIC INQUIRY

In this retrospective comparison of historically distinctive welfare and labour regimes in New Zealand, a broad macro and a closer micro approach will be adopted. The comparative studies referred to up to this point have been comparisons across nations. Comparative texts, however, do refer to the suitability of the comparative method for

comparison within nations. Higgins (1981:22), for example, refers to the appropriateness of the method for use in "comparisons over time" as distinct from comparisons across nations. The approach also coincides with what Smelser (1976:25) identified as the "within-unit over time" comparative method used by Tocqueville whereby "different causes are associated with different effects". The "logic of contrast" is the same as that used in cross-national comparative studies - the difference is that time, rather than national unit or region, is the basis of variation.

Skocpol and Somers (1980:174) in their specification of approaches to macro-social inquiry using the comparative history method identify what they refer to as "three distinct logics-in-use of comparative history": macro-causal analysis; parallel demonstration of theory; and contrast of contexts. A modified version of the "contrast of contexts" approach to the juxtaposition of historical cases will be employed here. The approach, they assert, allows the demonstration, through the juxtaposition of cases, that "differences among cases are primarily contextual particularities against which to highlight the generality of the processes" (Skocpol and Somers 1980:178). It therefore suits the objective of comparing historical labour market and welfare regimes, the inter-relationship of which occurs according to general processes. By drawing contrasts between or among particular cases, with the aid of reference to broad themes, the particular features of each case can be established. Skocpol and Somers (1980) discuss examples of the method being used in cross-national comparison. The steps involved, however, provide an applicable framework for historical case selection and presentation of argument.

The method provides for the demonstration that welfare states and labour markets are systematically inter-related. The generality of processes of institutional interaction will be examined from both a macro and a micro perspective of historically different welfare and labour market regimes in New Zealand. The particular patterns in each regime, once identified, can be used to illuminate characteristic processes. Explanations of these processes can be extended and refined in accordance with the evidence of the particular cases used.

Conventional comparative methodologies provide the challenge of ensuring that variables are specified in a consistent manner across historically or nationally distinctive regimes. The combination of a macro and micro focus adds to the need to find comparable measures of the same things at the different levels of the study. As the terrain changes from the broad sweeps of the macro perspective to the fine grained concern with experience at the micro-level, the problem emerges of ensuring that the concepts under examination remain compatible.

Skocpol and Somers (1980:178) posit that reference to broad themes can serve as a framework for pointing out differences between cases. In the study of historical welfare and labour regimes it will be useful, therefore, to break down key aspects of the institutional inter-relationship into themes to provide a framework for comparing and contrasting differences among historical cases. Five underpinning themes will be used in conducting the analyses:

- i) cultural facets of labour market activity;
- ii) opportunities for mobility and skill acquisition;
- iii) the level and impact of unemployment;
- iv) labour market security; and
- v) the impact of the traditional fields of social policy (housing, health and pensions).

The Cultural Basis of Labour Market Activity

The study will consider the cultural basis for the nexus between households and work. To this end, it will consider the way welfare regimes both reflect and reinforce cultural norms of labour market activity. Culture is taken to mean shared beliefs, attitudes and norms (DiMaggio 1990:113). The underlying premise in including cultural aspects of employment is simply that work is culturally defined and that labour and welfare regimes are embedded in a cultural context (Kumar 1984). The cultural basis of labour market activity has implications for family structures, the appropriate roles for men and women in the family and the workforce, and the place of the family in supporting and caring for its members. These are referred to by Schmidt (1993:222) as deep seated institutional factors in the social construction of the responsibility for work inside and

outside the home. Experience can be plotted between the "maximum private responsibility model" and the "maximum public responsibility model" (OECD 1990, in Schmidt 1993:200). While it is likely that there will be a large degree of continuity in cultural and normative factors between historical regimes, the argument that norms affecting employment are influenced by the welfare regime would suggest that a change in welfare regime would result in a change in those norms.

Mobility and Skill Acquisition

The nexus between households and work will be examined in terms of the changing opportunities for labour market mobility and the acquisition of skills. Two premises inform this analysis. First, opportunities for mobility and skill acquisition are held to be defined by the particular labour market segment workers find themselves in. On their own, education and training are held to have limited efficacy in promoting mobility across labour market segments. And second, new patterns of segmentation are held to be likely to emerge as a consequence of historical changes in welfare regimes. The implications of these can be observed through the emergence of differing opportunities for mobility and skill acquisition. An investigation of labour market mobility will also provide the basis for an appraisal of trends in social inequality.

The Level of Unemployment

Changing levels of recorded unemployment and the nature of the out of work experience in historical welfare and labour regimes will also be considered. The rate of unemployment does mirror the degree to which the principles of full employment are embodied in the objectives of welfare regimes (Therborn 1986). Employment policy is therefore a key factor in structuring labour supply activity. The focus on employment policy will allow consideration of the impact of the level of unemployment on the processes of getting jobs, decisions to change jobs, and decisions to accept cutbacks in conditions and the level of protection afforded. It will allow the coincidence of rising unemployment and rising levels of "flexible" work arrangements to be analysed.

Labour Market Security

The focus on labour market security will allow an exploration of alleged trends towards precariousness in employment over time and across welfare regimes (Rodgers 1989; Rodgers and Wilkinson 1991). Labour market security can be compared across regimes by reference to the dimensions of certainty of tenure, the level of protection in the job, and the level of input in the setting of terms and conditions (Rodgers 1989:3). The role of the state as both an arbitrator in labour relations or provider of welfare for those outside of the labour market will affect labour market security. Insecurity in employment could be defined as comprising a deterioration in these dimensions over time.

The Impact of Traditional Fields of Social Policy

The level and nature of publicly provided, core welfare goods influences the need for income from the labour market. The decommodifying impact of welfare state activity, defined by eligibility criteria, coverage and level of generosity, can be noted by observing the extent to which individuals can survive outside of the commodified relations of paid work. Considering the impact of these traditional fields of social policy on the nexus between households and work will also allow an exploration of the theoretical assumption of neoclassical economics that when labour market incomes are high, more labour will be supplied, and when they are low, less will be supplied. Analyses will be able to explore labour market outcomes in conditions of deteriorating economic returns from paid work. It will provide a basis for considering the question of whether women are part of the reserve army of labour, drawn into the labour market in periods of high labour demand, or whether there is an "added-worker effect", with more household labour being supplied in times of economic hardship to meet household income need (Rankin 1990; 1991).

STEPS IN THE MACRO INQUIRY

The periodisation of the welfare state into historical regimes will be undertaken at the macro-level by conducting a review of social policy trends and developments in New Zealand. Heidenheimer et al (1990:5) suggest that the "course of action or inaction" which characterises a particular public policy refers to "the string of decisions that add up to a fairly consistent body of behaviour sanctioned by government authority". In assessing a body of behaviour they suggest that the researcher faces a similar task to that of the meteorologist attempting to analyse weather patterns - "what general weather patterns are to one, policies are to another: namely, an overall configuration of movement and activity". They therefore recommend flexibility in approach to enable the observation of larger, general trends. These trends will be delineated and sketched according to historically defined patterns.

The historical regimes will be examined in conjunction with accounts of historical patterns in the labour market. The themes of the cultural basis of labour market activity, skill acquisition, the level and nature of unemployment, levels of labour market security, and the impact of traditional fields of social policy will be considered in each historical case.

The macro-scopic viewpoint is likely to shed more light on underlying institutional determinants of labour market performance than a perspective which focuses solely on micro-level data. As Schmidt (1993:184) noted in his study of female labour force participation rates:

This expectation rests on the assumption that decisions taken by ... workers on entry to, or withdrawal from, the labour force are to a significant extent shaped by institutions [at the] macro-level of the economic, social and political order.

In contrast, the neoclassical economics model, with its preference for methodological individualism and antipathy to macro analyses, offers little purchase on the impact of "deep-seated institutional factors - such as cultural traditions, political norms, beliefs and attitudes, political institutions and policy" (Schmidt 1993:185).

STEPS IN THE MICRO INQUIRY

The focus at the micro-level will be narrowed to that of labour *supply* activity and experience. Labour supply has traditionally been conceptualised in a very narrow and seriously limited fashion (McLaughlin et al 1989:16). The neoclassical view is that individuals simply choose between two possibilities - work and leisure. "Individuals will try to find the combination of the two which gives them the greatest satisfaction (utility)" (McLaughlin et al 1989:14). Factors other than price in decisions about labour supply are not accounted for. Structural factors and cultural or non-financial motivating factors are not considered. The elaborate economic models based on such assumptions therefore offer poor explanatory power of the labour market in the real world. This research attempts to avoid such reductionism by tracing the way welfare regimes influence and structure choices in the supply of labour.

The macro view will therefore be complemented by the micro-level study. Qualitative life and work history data from a small selected sample of Palmerston North households will be analysed with the same comparative intent as data at the macro-level. The work histories date from the 1950s. The life and work history research method has been demonstrated to increase understanding of individual experiences and their relationships to institutions and structural determinants. Dex (1991:1) notes that the collection of life and work histories has been an "area of social science where substantial and exciting developments have taken place, particularly over the past two decades".³ In fact, in her collection of articles reviewing developments in the use of the method, she recommends the use of life and work histories for the consideration of the effects of social policies on labour market experiences and behaviour.

The type of data provided by work histories allows consideration of the "overlap in the chronology between individuals' lives and social and institutional structures as well as

³ The distinction between life and work histories is artificial and the two are largely one and the same thing. "Life, employment and work experiences are all bound tightly up together; ... it is impossible to understand life without work experiences and vice versa" (Dex 1991:10).

between related individuals" (Dex 1991:1-2). Dex (1991:2) asserts that the value of this approach is that it focuses on the way individual experiences historically coincide, be that internally, with family members, or externally, with policy or structural changes:

Clearly, individuals' actions are reflected in their life histories and those of others, but equally, individuals' experiences reflect the structural facts which impinged upon them and moulded or constrained their experiences and actions. Market demand and supply factors ... as well as demographic changes and government policies, legislation and changes in the socio-legal framework are all examples of influences individuals might experience. As well as the recognition of the importance of these factors and their timing in understanding the patterns of individuals' experiences, life and work history analysis can be an avenue to researching other institutional and structural changes.

The type of data the method produces has the potential to capture the important way the history of individuals' lives coincides with the history of the social and institutional structures at distinctive historical epochs. The outcomes of social and institutional structures are manifested and lived out in the actual lives of people. Life and work histories capture those "lived out" realities and experiences. The timing and nature of institutional and structural change can therefore be examined through the use of life and work history data. The way these factors, and changes over time, impinge on the working lives and experiences of individuals can be recorded through their dated, personal histories.

More specifically, the particular changes in jobs that people make and the reasons for or context of those changes, are points at which important insights can be gained into the nature and dynamics of the social and economic environment. As Walby (1991:176) states:

Changes in jobs are a routine aspect of all working lives. The point of change potentially gives us some important indication of the social and economic processes at work. We can analyze the direction of the change and the various correlates of this. We can analyze the changes which are made from job to job and on the point of entering and leaving the labour market. We can examine these changes by occupational group, by industrial sector, and by full-time and part-time working.

Furthermore, changes can be examined in terms of: movement between unpaid domestic work and paid employment; the impact of unemployment pressures; and movement from paid employment into the receipt of benefit assistance, be it pensions or other forms. The qualitative analysis of these movements using accounts and explanations based on the

grounded experience of social actors, provides another window for exploring trends in these areas.

The macro view will therefore be enhanced by retrospective data on the actual changes that individuals have experienced in their day-to-day working lives. The method of historical comparison used in Chapters 2 and 3 will also be applied at the micro-level. The micro-level analysis, then, is not a standard qualitative grounded theory project, although steps that are specified for data analysis of such research methods were utilised in the analysis of the data (see Miles and Huberman 1994; Strauss 1987). Rather, the historical comparative intent implies that the focus at the micro-level will be on patterns of labour supply activity and experience across regimes. The approach offers a complementary perspective to the macro view whereby, through narrative accounts, the feel and immediacy of human experience is captured.

Labour Supply

As the micro-level study concentrates on labour supply activity and experience, it will be useful here to briefly review several issues in relation to the concept of labour supply. Labour supply is a commodity only in a fictional sense (Polanyi 1944). Labour is not created for the purpose of sale in a market; it is characterised by "variability and plasticity" - ie., it is "living"; and it "is not clearly separable from its owner" (Offe 1985:55-57). In a labour market where competition amongst workers and employers is a given, both sides are assumed to engage in what is presumed to be continuous and complementary strategic adaptation. Labour supply (workers) in the exchange relationship, however, has a limited arsenal of strategic options in comparison to labour demand (employers) and is therefore relatively disadvantaged (Offe 1985:14).

The most promising means by which workers can be assisted in their strategies of adaptation are those political equalising measures of statutory labour market protection; active labour market policies; programmes that assist retraining and continuing education; and the more generalised decommodifying aspects of the welfare state. The labour demand context frames the range of strategies available, but the welfare state

increases the options for labour supply and reduces its dependence on the inequitable labour demand/labour supply exchange relationship. The welfare state can, then, have a levelling effect on these power differentials, the precise nature of that effect varying in relation to the nature of the welfare regime.

OUTLINE OF THE THESIS

Chapters 2 and 3 of this thesis will identify and outline the two historically variable welfare and labour regimes from a macro-level perspective. The objective is to provide an analysis of the welfare state and labour market relationship in New Zealand, dating from the late nineteenth century, but focusing on the period from the 1950s. The resulting broad outline of trends will provide a structural backdrop for the analysis of the work/welfare interface from the micro perspective.

Having provided a broad-based analysis of distinctive historical welfare and labour regimes, the focus in the following chapters shifts to the micro-level of households and work. An acknowledged problem with adopting a broad definition of the welfare state is the trade-off that is often made between gaining an understanding of the general macro-level picture at the expense of gaining insight into the impact of specific welfare programmes on social life at the micro-level (cf Esping-Andersen 1990:2; Schmidt 1993:187). To avoid such a trade-off, the second step in the research traces the work histories of a small sample of households. Chapter 4 provides a bridge to this aspect of the study, synthesising the findings of the macro review and outlining how these are to be explored further in the micro-level study. The central themes identified during the course of the macro-level analysis provide a framework for analysing the household data, especially the relationship between the household and the labour market. These include: cultural influences on labour market activity; opportunities for mobility and skill acquisition; the level and impact of unemployment; labour market security; and trends in welfare selectivism. The aim is to trace the dynamic relationship between households and the changing parameters in the labour market.

The purpose of the household perspective is twofold. First, it will provide a viewpoint for assessing the validity of findings on trends in the labour market, outlined in Chapters 2 and 3, by providing detail of labour market activity and experience at the household level. The households examined have been through the transition from a wage earners' welfare state to a liberal welfare regime, and therefore provide first-hand evidence of its effects on their labour market activity. And second, the household perspective will allow for the assessment of the notions of welfare and labour regimes that have been outlined at the macro-level.

Chapter 5 provides an introduction to the methodology for the life and work history study and introduces the participating households. It outlines the rationale for the sampling frame, how the sample was selected and interviewed, and introduces the research instruments that were used. It includes a brief introduction to the members of the households and their work histories (these are summarised in Appendix 4).

In Chapter 6 the effect of historical variation in regime type will be examined in terms of the effect on the social construction of the responsibility for work inside and outside the home. That is, the focus will be on developments in cultural and normative outcomes evident through change in the male breadwinner pattern of labour supply, as a consequence of the transition to a liberal welfare regime. Variations of normal patterns of household employment at key life-cycle stages, the propensity for women to enter part-time and casual employment, and trends in the control of household income are examined.

In Chapter 7, changes in the nexus between households and work will be examined in terms of the social stratification outcomes of the transition to a liberal regime by an analysis of opportunities for labour market mobility and skill acquisition. The concern is with the historically variable potential for mobility in the labour market and the processes by which workers become entrapped in labour market segments. This focus will allow analysis of trends in social inequality that are identified at the macro-level by tracing the actually experienced opportunities for upward mobility and skill acquisition of the participating households.

The treatment of unemployment within welfare regimes is a touchstone by which important information about institutional interaction can be identified. In Chapter 8, the historically variable treatment of unemployment that was reported at the macro-level will be examined in terms of the effect on labour market activity and experience at the household level. This includes analysis of the typical labour supply responses to job loss that characterise each regime.

Trends in labour market security are examined in Chapter 9 by tracing the effect of changes in the role of the state and its regulatory and refereeing activities in labour relations. The effects of changes to the industrial relations and welfare framework will be examined at the micro-level by reference to the risk of job loss, the levels of individual input into employment terms and conditions, and the protection individual workers experienced in their jobs.

Chapter 10 examines the nexus between households and work by observing the effect of changing levels of assistance for housing, health and pensions. The concern is to explore the coincidence between the decline of full employment in the wage earner regime, by which households were assured of meeting most of their welfare needs, and the increase in welfare selectivism. Change in the level of responsibility between state and family for the provision of key welfare goods across welfare regimes will be traced in terms of the effects on household strategies of labour supply.

The analysis of the work/welfare linkages in chapters 6 to 10, therefore, shifts from the broad-base of the macro domain to the nexus between households and work at the micro-level. The macro and micro perspectives provide two distinct and complementary views of the institutional developments (Walby 1991:185). In particular, they provide the basis for an analysis of developments at the interface between the New Zealand welfare state and labour market over the past decade or so. At a methodological level they will also allow something to be said about the relative merits or otherwise of each level of enquiry.

SUMMARY

This chapter has introduced the objective of this research - that is, an examination of how the nexus between work and households has been altered by the recent transition to a liberal welfare regime in New Zealand. The neoclassical and institutional interpretations of the work/welfare interface were reviewed and the superiority of the institutional approach for this study of welfare and labour regimes was established. The institutional approach provides for an analysis of developments in the nexus between households and work in a way which recognises the complex of institutional interactions and their historically variable outcomes. This approach will be applied in a comparison of historically distinctive welfare and labour regimes in New Zealand at the macro-social and micro-household level. The method for doing so was introduced and linked to the rationale for the life and work history micro-level study.

Data obtained from the life and work histories will provide an important source of historically comparable evidence with the potential to illuminate the way the institutional structures of the welfare state and the labour market interact. By tracing the labour market activity and experience of respondents over time, historical variation can be explained in terms of changes in welfare regime (the social and institutional structures). The method provides, therefore, a fitting means for researching institutional and structural change. In fact, it is ideally suited to the objectives of this research programme. The study turns now, in Chapter 2, to an examination of the wage earners' welfare state in New Zealand.

2

THE MALE WAGE EARNER CUM SOCIAL EXPENDITURE REGIME

The approach to the explanation of labour market outcomes in this thesis emphasises the institutional context, with particular regard to the institutions for the provision of welfare. The notion of "regimes" has been employed to capture this institutional context - the "overall configuration of movement and activity" (Heidenheimer et al 1990:5) between the welfare state and the labour market. In this chapter the male wage earner cum social expenditure welfare regime of the mid-1930s to the mid-1980s will be introduced. The chapter begins by outlining the historical antecedents of this regime, identified in the early social protection initiatives of the late nineteenth century. In keeping with the broad definition of the welfare state that has been adopted, the identification of the distinctiveness of this legislative set-up will include reference to economic and labour market management activities as well as social service delivery in areas such as health and social security. The balance between the state, the private sector and the community or voluntary sector will also be used as an indicator of difference (cf Esping-Andersen 1990; Oliver 1977). Alongside this recounting of welfare measures will be a review of broad patterns in the labour market. This will provide a basis for comparison with the liberal welfare and labour regime of the mid-1980s onwards, set out in the following chapter, and thus provide an important backdrop to the study of how the nexus between

households and work has been altered in that regime. The review draws heavily on the work of Oliver (1988), in the periodisation of welfare regimes, and of Castles (1985, 1988, and 1994a), in outlining the internal logic within each historical regime.

THE HISTORICAL CONTEXT: DISTINCTIVE COLONIAL SOCIAL PROTECTION

Pre-1890s

The review takes as its point of departure the growing establishment of colonial settler society in New Zealand in the latter part of the nineteenth century. Oliver (1988:3) defines the wellbeing enhancing activities of the state in the late nineteenth century in terms of its role as an "agent of settlement". In the process of colonisation, the state provided resources to enable settlement and promote self reliance. Public resources were directed towards enhancing the opportunities of new arrivals who were assumed to have enough initiative to take advantage of them and promptly repay costs. The social policy of the period has therefore been characterised as "enablement policy" (Oliver 1988:4). The most important of these at the time were the legislative initiatives which promoted the colonial settlement of land. Oliver also notes, though, the fundamentally "disabling" effect of these initiatives on indigenous Maori.

The geographical isolation of the new colony meant early labour shortages and thus early leverage for workers in their struggle with employers. Parnell's refusal in 1840 to work more than eight hours a day was an early example of the subsequent industrial muscle of workers in the early colonial environment (see Deeks and Boxall 1989:25). Labour shortages, though, did not last. The gold-rushes of the 1850s and 1860s saw a wave of unskilled labour enter the country, and when the gold ran out miners needed to find alternative work. The pragmatic involvement of the state through Vogel's programme of national development, financed from overseas loans, absorbed the extra labour in the first half of the 1870s, but the drop in world commodity prices in the late-1870s

signalled the beginning of the long depression which lasted into the 1890s. The cause of the depression was primarily a fall in returns for exports shipped to the British market. There were serious unemployment consequences. While the severity of the depression is debated (see Deeks and Boxall 1989:25; Hawke 1985), one view argues that it is a period in which many abuses crept into working conditions. The depression highlighted the vulnerability of the increasing number of workers in the developing local industries and of those who worked on the land. Wages decreased, hours of work increased, boy and girl labour replaced that of men, and there was a great deal of unemployment. Earlier protection for workers gained by a high demand for labour, such as the eight hour day, were lost.

Measures for the direct provision of aid were typically residual. They were inherited from the framework of the English Poor Law and transferred to New Zealand as part of the 1852 Constitution. As in England, Provinces were charged with the responsibility for the needy. The responsibility was carried through by the modest subsidisation of voluntary welfare institutions which provided relief to the indigent elderly, deserted women and families, and children in need of care (Oliver 1988:14). The inadequacy of such assistance, given the young status of the colony and the absence of an established moneyed class, compelled government (central and local) to also make contributions. In some cases the Provinces created their own local institutions for these activities. Based on the principles of private charity and benevolence, an underpinning concern in the distribution of aid was to distinguish between the deserving and undeserving poor and to avoid encouraging the alleged resource usurping, dependent class which received such "relief".

Where possible, funds were raised by charging the users of these 'services'. Most of the responsibility for the provision of welfare was placed on the individual or family. Legislative endorsement of this was spelt out in the 1877 Destitute Persons Act, which stipulated that "the near relative of a destitute person shall, if of sufficient ability, be liable to support every such destitute person". The Act provided for Court action as a means of obtaining funds from families for support. The reality was, though, that "many families were absentee, broken or otherwise incapable" (Oliver 1988:14). The residual

'safety net' of the province-based rescue operations, therefore, gave assistance to those social casualties without family sustenance. That this residual, charitable-aid system was perceived as inadequate is indicated by the calls for national compulsory insurance against sickness, accident, old age, widowhood and orphanhood from 1882 (Sutch 1966:86; Davidson 1989:42).

For the unemployed, assistance comprised money handed to local bodies for road works. The able-bodied were not given relief, although they were sometimes given food and fuel by charitable-aid boards. The principle of less eligibility prevailed, placing employment considerations centre-stage in these measures. As the depression of the 1880s intensified the principles of benevolence were more strictly applied - "the undeserving were excluded and the deserving discouraged in an attempt to avoid pauperisation" (Oliver 1988:15).

It was within such an environment that there emerged early philosophical and practical support for trade unions. The passage of the Trade Union Act 1878 had provided legislative recognition of unions and Trades and Labour Councils. The Act provided for the registration of both worker and employer groups and recognised the rights of unions to conduct wage bargaining, but trade unionism in New Zealand did not gain any real momentum until the late-1880s. Between 1889 and 1890 union membership rose from 3,000 to 35,000 (Deeks et al 1994:43). Foremost among these was a Maritime Council, established in October 1889. It consisted of affiliated watersiders, miners, seamen, and various others (Deeks and Boxall 1989:29). The new union movement was, however, inexperienced and under-resourced, and when it lent its support to an Australian dispute over the dismissal of a union delegate on a steamship in the Maritime Strike of 1890, it suffered a resounding defeat. Union numbers collapsed and non-unionism was enforced as a condition of work by employers (Deeks et al 1994:43).

After experiencing that setback, the unionists turned to politics. By the late-1880s the depression had effectively led to the creation of two political parties: the conservative rural oligarchy which coalesced around interests in continued free trade and against the

introduction of land and income taxes; and in opposition the Liberal Party, a loose coalition of interests based on the working class, small farmers and manufacturers who proposed the introduction of protective tariffs and a more interventionist form of state (see Martin 1981 Paper II:8). Workers found political allies in the middle classes, with land hungry, would-be farmers fighting for the subdivision of the larger estates, and manufacturers seeking tariff protection. The economic conditions provided fertile ground for the formation of these alliances. With the achievement of universal male suffrage in 1879, New Zealand workers could lend their support to the newly formed Liberal Party, many members of which had supported the strikers. They were able to engage in democratic political action as they pursued their 'quest for security' (Sutch 1966).

1890s to 1930s

As a settler community, a pragmatic concern with infrastructural and economic development tended to supplant arguments about the negative effects of government involvement. Prior to the 1890s, politics had been primarily concerned with development issues, involving the acquisition of Maori land, land sales, railways, roads and bridges (Sinclair 1991:163). The Long Depression led to a questioning of these earlier strategies for economic and social development and created an environment favourable to change. The Liberal Government, after its election in 1890, embarked on the reform programme which later earned New Zealand the reputation as a social laboratory for experimental social legislation (Sinclair 1991:187). It worked towards the satisfaction of its supporting interests - small farmers, workers, the unemployed, manufacturers and the aged. Steps were taken to help break up the grand estates. Workers gained new protections from industrial conciliation and arbitration measures. The first steps were taken in the granting of pensions to the old, public works to the unemployed, and tariffs for manufacturers.

Land tenure issues dominated the political agenda during the 1890s (Sinclair 1980:153). Oliver (1988:5-6) attributes the genesis of New Zealand radicalism to the outcome of the debates over the way that land was to be distributed. Debates raged between established larger landholders and proponents of smaller landholdings over the merits of small versus large scale settlement. Advocates of the small settler framed their argument in

terms of "the right of the humble to a place in the sun, and to a claim upon the services of the state in finding it" (Oliver 1988:6). Those interests were supported by the Liberal Government and its first objective was to foster more concentrated settlement by small farmers. The strategy of closer settlement was not only expected to achieve a more effective utilisation of the nation's natural resources, but was also expected to assist in reducing the problem of unemployment (around 10 per cent through the 1890s).

Closer settlement initiatives included (Oliver 1988:7):

Village settlement schemes, tenurial reforms, deferred payment systems, re-purchase of large estates for subdivision, the routing of surplus labour into subsistence farming and rural labouring, provision of loans for land purchase and improvements, a renewed onslaught upon Maori held land, technical education and assistance, quality control measures for dairy exports, and a new department of state for agriculture.

Moreover, the proliferation of smaller scale farming was assisted by the combination of state perpetual leasehold and the Advances to Settlers Act 1894 which provided cheap and easily available loans to would be settler farmers. A fundamental difficulty for small farmers - the shortage of capital - was therefore removed (Sutch 1966:97). These measures were, by and large, based on the enablement principles of what is referred to today as cost-recovery and user-pays (Oliver 1988:9). Taken together they illustrate the ambition of the Liberal Government to increase the numbers of those on the land and to promote their wellbeing.

The improved international economic context of the 1890s was also important in the development of smaller scale farming. The rising prices in Great Britain for agricultural produce and the introduction of refrigerated shipping in 1882 greatly benefited small farming ventures. The increases in land prices which resulted from the new prosperity of farming encouraged owners of large land holdings to subdivide (Sinclair 1980:182). The result was a proliferation of smaller scale farming from the mid-1890s - the historical significance of which is denoted in the subsequent reference to this as the "family farm period" (see Shannon 1991:69).

The strategies adopted to foster closer settlement in the 1890s resulted in a decline in farm wage labour and an increase in the 'invisible' use of female and child labour. The

small family farm as one of the basic economic units in the New Zealand economy was supported by the general enablement strategies of the late nineteenth century and the particular policies of the Liberal Government. The average size of farms declined and the numbers of small farmers dramatically increased "from 10,800 in 1890 to 14,400 in 1900, to 20,100 in 1908" (Sutch 1966:97).

The decline of waged farm labour which began over this period coincided with workers being given the opportunity and assistance to buy their own small farms. Small landholders did not tend to employ wage labour, but rather the labour of family members and itinerants such as gangs or individuals. Although the use of family and itinerant labour was recognised by officials as the basis for the economic viability of these units, much of the work performed by women and children was invisible as wages were not usually formally paid. Oliver (1988:7), nonetheless, notes that "it is certainly the case that the rural economy depended upon a large input of child and female labour". Cheap and/or unpaid family labour ensured the viability of the small family farm.

The pay rates for other farm workers were minimal. There was no minimum wage, and Sutch (1966:178) wrote that permanent farm workers were a "depressed class". The use of permanent and itinerant labour on farms fluctuated according to farm returns. If farm wages declined, as in the later Great Depression, there was a more intensive use of family labour.

The land development strategy of closer settlement was based on stripping Maori of their agricultural base. Around this time Maori were also being integrated into the cash economy and they required income. They had, however, suffered the loss of most of their high quality land by the late nineteenth century. The Maori farming that had survived did not have the same state assistance that was given to the new settlers and Maori agricultural development was also hindered where access to credit required individual title to land ownership (Brosnan and Wilson 1989:14). They were required to pay land rates, dog taxes and school fees, but were unable to acquire cash income from their own agricultural activity. Maori were therefore driven to find paid work in the labour market of the Pakeha economy (Ministerial Advisory Committee on a Maori

Perspective for the Department of Social Welfare 1986; Brosnan and Wilson 1989:14). With a partial commitment to wage work (Macrae 1975, in Brosnan and Wilson 1989), Maori comprised a source of transient, low waged casual labour. They became increasingly reliant on seasonal employment on European farms and in public works and domestic service (Brosnan and Wilson 1989:14; see also Oliver 1988:7).

In the pioneer conditions of early colonial New Zealand, married settler women seldom worked outside the home and single women were clustered in the domestic services. When urbanisation and manufacturing began to grow in the later-1880s women began to enter factory employment or engage in outwork, primarily in textile and clothing manufacture. Declining prices in the depression had induced many in the textile and clothing industries to replace men with the cheaper labour of women and children and to lengthen work hours (Brosnan and Wilson 1989:22). A string of labour market regulations was passed to prevent what became highly exploitative employment practices, beginning with the Factories Act 1891 (superseded in more comprehensive form in 1894) and the Shops and Shop Assistants Act 1894.

In comparison to the prominence of land issues at the time, the innovative, and equally far-reaching, labour legislation achieved under Reeves between 1891 and 1894, is said to have aroused little general interest (see Sinclair 1980:153). Following the election of the Liberals, the balance of key political forces was such that there was no united rural and urban opposition to the enactment of new protections for workers. The politically weak, urban employers lacked the power to prevent state intervention in the regulation of the labour market, and the politically powerful rural employers did not consider the new protections to affect them (Martin 1984:126). There was therefore no determined united effort to oppose them. Weakened by the maritime strike, the unions also lacked the resolution to oppose the enforced compulsory arbitration. Nevertheless, unions did subsequently identify the promotion of their interests with the protection offered by the labour legislation, indicated in the high rate of registration under the new provisions (see Deeks et al 1994:46-47).

The labour legislation of the early-1890s was overshadowed by the 1894 Industrial Conciliation and Arbitration Act. The Act did four things (Deeks and Boxall 1989:32):

First it [encouraged the development and promotion] ... of trade unions by forcing employers to negotiate with them. It gave them statutory [protection and] strength independent of the strike weapon. Secondly, it provided procedures for settling the natural conflict between capital and labour founded on a backstop of compulsory arbitration. ... Thirdly it provided a legal procedure for enforcing industrial agreements on negotiating parties and on all others in the industry. ... Fourthly, it placed strict controls on direct action as the price for providing statutory methods of dispute resolution.

The Act was promoted by a desire to institute mechanisms for the peaceful resolution of industrial disputes and the achievement of stability in the economy. Economic conflict between workers and employers was transferred from the workplace to the newly established Arbitration Court. The bargaining position of unions was strengthened, minimum wages were supported, and the settlement of disputes was facilitated. Its significance was also in its impact on establishing the framework for the subsequent evolution and sphere of activity of the labour movement in New Zealand (Oliver 1988:10).

Women had begun to enter factory employment and engage in outwork in larger numbers, mainly in textiles and clothing, during the 1880s depression. Employers had managed, in practice, to achieve an easing of the restrictions on the employment of women and girls in the 1873 Employment of Females Act (Deeks et al 1994:39). The relaxation of the protections resulted in the sweatshop working conditions for women and children in the manufacturing sector. The 1873 Act had lacked enforcement procedures and working conditions continued to deteriorate in the 1880s environment of diminished export returns and high unemployment. Brosnan et al (1991:20) suggest that the newly formed, largely male, unions were threatened by female competition for jobs during the time of high unemployment and therefore began a vigorous campaign for controls on work conditions. They suggest self interested union actions, along with the public outcry at the existence of "sweatshop" conditions, led to general support for the 1890s labour legislation.

The Industrial Conciliation and Arbitration Act and the related factories legislation therefore re-established and strengthened the position of men in the labour market.

Wages began to be settled on the basis of need under the conciliation and arbitration system. Need was defined in terms of the household and, given normative beliefs about the appropriate roles of men and women at the time, men were paid at a level at which they could support their families and women received a much lower rate of remuneration (Brosnan and Wilson 1989:22-23). Men were therefore institutionalised into their families as breadwinners and into the labour market as full-time workers through the guarantee of a minimum award wage, which later became the family wage. The passage of the legislation, then, laid the groundwork for the male breadwinner model of income distribution and social policy.

Women wage workers, on the other hand, were assumed to be single and without dependants by the Arbitration Court. Women's working roles were seen as being those of "nurturers of breadwinners, the bearers and raisers of children, and the bastions of domestic virtue" (Oliver 1988:11). Brosnan et al (1991:21) note, therefore, that:

marriage ... became women's primary option for support. Women whose husbands deserted them, and who therefore did not conform to the 'breadwinner' model of domesticity and dependency, received little sympathy from the authorities.

A much lower rate of payment was instituted for women who were assumed to be provided for according to their status as dependants. If young women were to work, the influential admonition of Truby King was that they should enter occupations that would prepare them for later 'home-life', such as domestic service, nursing or housekeeping.¹

Women were effectively excluded from many occupations and industries in this regime, reinforcing their normative and financially dependent status as domestic carers. Brosnan and Wilson (1989:23) point out that:

The Factories Act of ... [1894] regulated working conditions, restricted the hours of employment of women and juveniles, and banned night time employment of women. A 1901 amendment to the Act made outwork illegal. The conciliation and arbitration system made it difficult to exploit female labour, but coupled with controls on hours of work and restrictive union practices, its effect was to enforce the exclusion of women from many occupations and industries.

¹ Truby King was the founder of the Plunket Society in New Zealand, an antenatal and early childhood nursing service (see Sutch 1966; Olssen and Levesque 1978:6).

The use of child labour also began to diminish as the norm of child attendance at schools was established after the imposition of protections and the growing use of the free primary education system.

By the 1890s there had developed a surprisingly broad range of small manufacturing enterprises. Manufacturers were producing and exporting woollen cloth, agricultural equipment such as disc harrows and ploughs, refrigerating machinery, gold dredges and even steam locomotives (Denoon 1983:151). As the price of shipping declined in the 1880s and early-1890s, the cost of bringing imports was lowered and domestic manufacturers began to lose their natural protection from overseas goods. Sutch (1966:75) notes that manufacturers, who had become an important political interest group by the 1890s, lent their support to the Liberal Party in pursuit of tariff protection. They were granted this in 1895 when a customs payment on imports was instituted.

According to Hawke (1985) manufacturing was only a minor employer of labour in the nineteenth century. The proportion increases, however, when combined with handicrafts which were essentially manufacturing carried on outside of factories. The average number of workers in each establishment at the turn of the century was a little over ten people, a level which persisted until well after the Second World War. Manufacturing did develop rapidly in the latter part of the 1890s. By the turn of the century the main industries were those involved in production for basic domestic needs such as "clothing, footwear, and construction materials for housing, together with several export oriented industries processing primary products, such as meat, wool and dairy produce" (Martin 1984:122).

The way the tariff system was implemented, however, promoted the development of agricultural based sectors over and above the manufacturing sector. The promotion of the agricultural sector, in part, indicated the strength of the small farmer lobby in the 1890s. Under the shelter of protective duties, the proportion of those employed in 'industry' increased slightly from 22 per cent in 1896 to 25 per cent in 1911. However, the structure of the protections favoured the small farming sector, and "the diverse (if small scale) range of economic activities in the 1880s was replaced by a rather narrow

specialization from the 1890s onwards" (Denoon 1983:151). Farming continued to dominate male employment into the 1920s.

The industrial conciliation and arbitration provisions provided an important degree of industrial stability that lasted into the twentieth century. With a higher degree of security for investors, there was growth in secondary agricultural processing and manufacturing employment. Growth in smaller scale, more intensive farming was part of the trend away from large-scale wool production and manufacturing based on sweated wages. The smaller farms produced not only wool, but lamb, mutton, beef, butter and cheese for export (Sutch 1966:98). The increased productivity of small scale intensive farming led to spin-offs in secondary processing and infrastructural development work. Jobs were provided in secondary industry from the growth in dairy and meat processing plants, and the infrastructural development work needed to foster closer settlement also promoted roading and construction work.

The major development in the charitable aid system was the introduction of the Old Age Pension Act. The specific problem of the high proportion of destitute old men, many of whom were dependent upon the inappropriate care of the, often hospital-based, charitable aid system, was met in some measure by the introduction of the Act in 1898. The pension was selectively provided to those over 65. Recipients faced what were rigorously enforced residential, income and moral criteria. Pensions were flat rate, strictly means-tested and funded from general taxation. They were flat rate because they were to provide for mere subsistence, means-tested because they were for the deserving, and funded from general taxation because the aged poor were unable to make any contribution themselves (Castles 1985:15). New benefits were also granted in the early twentieth century - the widows' benefit in 1911, the miners' benefit in 1915, and the family allowance of 1926 (Rudd 1993:227). Apart from the miners' benefit, which was paid to those who suffered total incapacity from pneumoconiosis on a flat rate basis, these were means-tested.

The passing of the Old Age Pensions Act of 1898 enabled those over 65, who met the necessary eligibility criteria, to leave the labour market. The establishment of the pension

began the process of normatively constructing the life-cycle stage and social category of the old age pensioner. Although used sparingly, the Secretary of the Labour Department in 1899 attributed the absence of aged tramps looking for work to the operation of the pension scheme (Sutch 1966:93). Sutch asserts that their status as tramps and their occupancy of Old Men's Homes had been the product of irregular employment. The pension, therefore, relieved them of the need for irregular employment and led to diminishing levels of destitute elderly workers. Usage of the pension, though, was actively discouraged by the Pensions Department. "In 1904 of every 100 people becoming for the first time eligible by age and residence, 40 applied for a pension, and only 27 were successful" (Oliver 1977:11). Despite this, by as early as 1901, 40 per cent of the Pakeha population were receiving it (Sutch 1966:93).

Unemployment was treated as a pakeha male phenomenon, given the institutionalised economic dependence of women. Aid was not provided directly to the unemployed, and relief work was provided to men on the basis of their status as breadwinners. Oliver (1977:5) asserts that the level of public tolerance to unemployment was high, and that individualised remedies to its relief were more significant than any public measures. Regular income maintenance was not provided in any way until the later-1920s (Oliver 1977:4). This was a period characterised by the existence of itinerant male labourers, the existence of whom can be linked to the strategies of the Bureau of Labour - a department set up in 1892 to shift men around the country to jobs that were both publicly and privately provided. As a "colony-wide employment agency", it shifted large numbers of men to mainly farm and construction work (Oliver 1988:10).

A mix of public, private and voluntary sectors dominated the provision of nineteenth century versions of social services. Stirrings of growing levels of employment in an expanding public sector began to emerge in this period. Oliver (1977:11) notes employment growth in the state welfare activities of health and education. Alongside these were new departments such as agriculture, labour and pensions.

Male breadwinner norms were reinforced even further in the employment practices of the state when it began to employ women after 1912. Its employment policies continued

to favour men and women were generally limited to insecurely tenured and lower status positions. Permanent positions were reserved for men, while women were confined to temporary jobs. Married women, for example, were barred from employment in education boards in the 1920s and in 1921, 83.3 per cent of all women in the workforce were single (Brosnan et al 1991:21; Brosnan and Wilson 1989:24).

When the Arbitration Court began to issue periodic Standard Wage Pronouncements from 1919 setting relativities between skilled, semi-skilled and unskilled workers, and between men and women in each of these categories, wage levels for women were explicitly set at a significantly lower rate than those for men. Lower levels for women were reinforced in the General Wage Orders issued from 1922 by the Arbitration Court which set all wage rates simultaneously. The "living wage" was to be available to men as the family providers. The taxation regime of married women's income at their husband's marginal tax rate, further discouraged their labour force participation. By increasing family income, the Family Allowances Act 1926 is also claimed by Brosnan et al (1991:21) as being instituted in order to reduce the need for women to work.

Conditions in the 1928-1935 depression reinforced the male 'breadwinner' model. The figure of 12 per cent of the labour force unemployed during the depth of the depression would have included few women. It is likely that many women merely withdrew from the labour force. Being ineligible for relief, they were unlikely to register as unemployed.

The Logic of the Male Wage Earner Regime

The compulsory conciliation and arbitration of industrial disputes after 1894 allowed welfare criteria to have an influence in the awarding of minimum wage rates. Wage rates were able to be set according to the notion of fairness and at a level that was adequate to provide a decent living. The basis for wage setting, then, became human need. Principles of private profit were, in due course, subjugated in favour of wage regulation as market criteria were accorded a secondary role (Castles 1994a:14). The extent to which the legislation provided for the provision of a minimum income for the wage

earner is indicated in the comments of Mr Justice Sim of the Arbitration Court, who, in 1907, argued (in Castles 1985:14):

... that the profitability of an enterprise could not be regarded as the primary factor in determining minimum wage levels, since under such a system the men would have to go without wages if there were no profits. The Court should endeavour to give men fair remuneration for their work, regardless of whether employers got a profit or not.

The potential to achieve fair wages through the Industrial Conciliation and Arbitration legislation had radical social policy implications. The natural concomitant to a system of wage regulation, designed to avoid severe poverty for those in the workforce, was a selective system of income maintenance for those outside of it. The old age pension for the deserving elderly poor, while essentially a substitution of state charity for private charity, exemplified the preference for selectivism. The early institutional outcomes for the achievement of social protection goals led to an emphasis on flat rate, selective benefits to provide a welfare safety net for those outside of the labour market.

The regulation of wage levels was complemented by the implementation of policy measures to protect the ability of local employers to sustain high levels of employment. These involved, chiefly, tariff protection against competition from foreign imports and support of domestic manufacturing industries (Castles 1994a:14). The strategy of domestic defence, which stemmed from the policy developments of the 1890s, later developed into a complex array of protective import licensing barriers for manufacturing and guaranteed minimum prices for agricultural produce. With wages as the front-line weapon against poverty and, supposedly, a sufficient number of high waged jobs generated by the protection of tariff walls, welfare policies could be doubly residual - given only to the poor and only when it was apparent that the wages mechanism was inadequate. Castles (1994a:16) claims that:

[The] strategy of domestic defence was transformed into a wage earners' welfare state ... To the degree that wage regulation delivered all male employees an adequate family wage, and in so far as the assumption that all women and children were dependent on male wage earners, it followed that only when men were unemployed or had been insufficiently provident to provide for their old age could there be a need for additional intervention by the state.

THE WAGE EARNER CUM SOCIAL EXPENDITURE REGIME

In similar fashion to the Long Depression of the 1880s, the Great Depression of the 1920s and 1930s was a precursor to a period of pivotal social policy innovation. Land and its produce were still basic to the economy in the 1930s and initiatives to maintain their viability in the face of the depression became a leading aim of the Coalition Government. The objective of keeping on farms those already there, and improving their efficiency, led to specific policy initiatives. These included exchange rate regulation, "the dismantling of the arbitration system, the adjustment of farm indebtedness, the expansion of mortgage finance [and] a guaranteed price and controlled marketing for dairy exports" (Oliver 1988:20).

A string of piecemeal, highly selective, and minimal income assistance measures were also in place to provide for those not in the labour market. Oliver (1988:24) summarised these as follows:

Old age pensions had been supplemented by benefits for miners suffering total incapacity from pulmonary disease, widows with children and the widows of servicemen, the blind (alone of the disabled), and the victims of the 1919 influenza epidemic. The age at which women qualified for the old age pension was dropped to 60. The first hesitant steps towards child benefits had been taken by the Family Allowances Act of 1926, by which a benefit on third and subsequent children was payable after means-testing.

The unemployed continued to be subject to the 'no pay without work' principle, but in the depths of the depression payments were occasionally available for those for whom relief work was unobtainable.

In the 1935 election the Labour Party gained 47.4 per cent of the popular vote and was swept into office with 69 per cent of parliamentary seats (Castles 1985:25). In Government it achieved a significant extension to the welfare activities of the state (Oliver 1977:19). Labour had its roots in the Social Democratic Party which had been created in 1913 as the political wing of the United Federation of Labour (Sutch 1966:112). Its policy platform developed in a way which favoured a universal approach to the provision of social assistance. After the Social Democratic Party merged with the United Labour Party and the Labour Representation Committees in 1916, the Labour

Party was formed with most of its leadership chosen from the young men of the Social Democratic Party (Sutch 1966:121). Labour fought the 1919 election on a policy platform of free education from kindergarten to university level, universal pensions to those who needed them, and a nationalised health service (Sutch 1966:155). The Labour Party, then, did not "own" the wage earner protections and the accompanying selective social assistance strategies inherited from the 1890s. It strongly rejected notions of selective charity, maintaining that benefits were to be provided by the state as a citizen's right. For Labour, benefits were to be non-contributory, universal, comprehensive and adequate. Labour's identity was more closely tied to Fabian Socialist policy aspirations than to the radical means for meeting welfare needs in the wage earner model (cf Castles 1994a).

After 1935, then, the residual social assistance logic of the wage earner model became overlaid with the Labour Party's universalism. The key policy developments comprised an extension of insulationist and interventionist measures, a reassertion of the principle of social protection through wage regulation, and an extension in the scope and level of social security. Earlier piecemeal social security measures were brought together and new initiatives forged.

Following the depression, there was a low tolerance to unemployment and Labour had an explicit ideological commitment to the achievement of sustained full employment. There was a clear mandate to pursue full employment and it was institutionalised as the first-order priority of government. The Employment Act of 1945 established this objective by declaring that the Government was to "'do all things necessary' and 'at all times' to achieve full employment" (Endres 1984:34). The resolution to pursue full employment was an important shift from the approach which had seen tight budgetary constraints in place during the depression under the previous Coalition Government. The prioritisation of full employment as an explicit policy goal - perceived variously as either "total employment" with the removal of all registered unemployment or as unemployment at least at a level comparable to the available job vacancies - was to remain in place for the next four decades (Endres 1989:132-133).

Full employment was pursued in conjunction with protectionist and expansionary policies in industry and manufacturing. Following its election, Labour responded to the ongoing difficulties faced by small vulnerable production units by immediately strengthening the protection for industry (Martin 1981 Paper II:50-51).

Through a system of licensing, subsidies and regulation internally, and import licensing and exchange controls externally, government sought at a distance to protect, preserve and promote small agrarian industrial capital in New Zealand.

Labour was committed to the belief that economic planning was possible and necessary. It did so through industrial promotion, export marketing, import control, overseas exchange regulation, prices and incomes controls, intervention in industrial relations, and the direct development of industry and necessary supporting infrastructures. There was a certain conviction, as Oliver (1988:26) notes, "that [the] economy could be managed in precise detail by the state".

The small farmer had suffered drastic debt increases during the depression. In an attempt to moderate the effects of a high debt load and interest payments, Labour extended the scope of the debt reduction measures designed by the Coalition Government, and sped up their implementation timeframe. Adjustment Commissions were established to adjust the liabilities of applicants under the Mortgagors' and Lessees' Rehabilitation Act of 1936 to allow "for the maintenance of farmers and their families in a reasonable standard of comfort" (Sutch 1966:187). The labour relationships characteristic of the family farm were therefore supported and reinforced as the basis of New Zealand agriculture (Shirley et al 1990:26). The support was effective as, prior to the war, the processing of primary produce and the farm servicing sector were the areas which had the fastest growing occupations (Shirley et al 1990:25).

The attempts to manage economic development and stimulate the labour market led to hothouse conditions for both domestic and export industries. The setting of protective trade barriers and the stimulation of domestic industry resulted in the full employment of the 1950s and 1960s. Labour's approach was to assist in improving the performance of the, in many cases, small and scattered industries through the standardisation of production and accounting methods, the training of workers, the conducting of research,

and even in the purchasing of materials and selling of goods. The thrust of the assistance was evident in the words of Prime Minister Savage (in Sutch 1966:196), who, in 1936, explained, "We have no desire to set up uneconomic industries behind a high tariff wall. Rather, we would attempt to organize industry on a rationalized plan". It was small production units that were protected and assisted under the insulatory measures of the politics of domestic defence. Up to two-thirds of the total number of factories employed 10 or fewer workers by the early-1950s. Shirley et al (1990:26) report that, "[o]nly 78 factories employed more than 200 workers and these ... were largely confined to those .. engaged in processing export dairy products and meat". The state played an important role in these developments by furnishing, through public works, the necessary infrastructure and by providing a high level of shelter for industry through regulations and a protective trade strategy.

There was an expansion of manufacturing and the rapid growth of the blue collar workforce due to the increasing number of small factories specialising in light consumer goods (Shirley et al 1990:25). Employers willingly invested in business as the protected environment provided a high level of assurance that temporary unprofitability would be absorbed by growth in the total market. As Shirley et al (1990:25) note, there was confidence that:

... the total market and/or prices would eventually expand to 'ratify' the investment decision. ... Import licensing gave security to the local producer market, and the explicit commitment of the state to full employment ensured that aggregate demand would be sustained.

The result was a dramatic expansion in the number of available jobs, with registered unemployment never exceeding one per cent of the labour force through this period.

Throughout the 1950s full employment was a "sacred cow". It was interpreted as the total employment of a largely homogenous workforce and the objective of price stability played a subordinate role. The resolve to maintain full employment was illustrated in the response by the Finance Minister when he indicated a "sharp political sensitivity to any unemployment", following signs of an emerging balance of payments problem in the late-1950s (Endres 1984:35). In this instance the Finance Minister guaranteed that any

costs would be distributed fairly throughout the community "without hardship and without unemployment" (Endres 1984:35).

The high unemployment of the depression had severely weakened the unions, and their earlier state patronage was lost when the Coalition Government had removed compulsory provisions from the system of arbitration. Labour restored the Industrial Conciliation and Arbitration Act in full in 1936 and union membership became compulsory for occupations covered by awards (Oliver 1988:28). The Labour Government thus affirmed and strengthened its close connections with unionism. Full employment and an adequate wage were achieved through insulation and control of the economy. The trade-off for employers was the continued protection for domestic production.

Renewed emphasis was given to the concept of the basic minimum wage. "The wages of the lowest paid were set on the basis of need and a system of wage differentials was maintained, based on notions of skill" (Brosnan and Wilson 1989:20). Widespread access to it was achieved in the full employment which developed behind the protective trade strategies and Keynesian economic stimulation of the first Labour Government. Labour replaced the minimum wage arrangements, which had three rates of pay for urban, rural and Maori, with a single rate. The family norm of three children was adopted for wage setting and became a measure for achieving a national minimum standard of needs fulfilment. The institutionalisation of the male breadwinner model with the family wage paid to the "head" of the household was therefore further entrenched in 1936. The family wage concept was reasserted and arbitration courts set the base rate for female wages at about half that of men on the grounds that women were not generally responsible for dependants (Castles 1994a:17). The construction of female economic dependency and of the male earner role in families was therefore reinforced.

The major piece of legislation for which Labour is known is the 1938 Social Security Act. The programmes implemented through the 1938 Act can be traced to the Fabian Socialism of Labour's roots. The Act provided for a single scheme covering everyone for every need. The objective was (Oliver 1988:25):

... to provide for inability to earn by a wide-ranging system of benefits covering all those 'who through various misfortunes of age, sickness, widowhood, orphanhood, unemployment or other exceptional conditions came to want'.

In so doing it consolidated "existing benefits and introduced new ones such as the sickness, orphans and health benefits" (Martin 1981 Paper II:61). Superannuation payments after 1938 did not replace the pension, but were a small universal benefit at age 65. All other benefits remained means-tested. These reforms placed New Zealand as one of the leading spenders on social security, creating what could be argued "in late 1930s terms [as] the most comprehensive and advanced welfare state in the world" (Castles 1985:26).

There was a strong universal intent in the initiatives, but the outcome was more "quasi-universalist" (O'Brien and Wilkes 1993:61). Universal provision was achieved by the limited universal element in superannuation. Later, the universal family benefit of 1946 became payable irrespective of parental income or other means (Oliver 1988:25). In health, though, initial plans for a universally provided, nationalised system were thwarted by the medical profession who held out for the right to directly charge patients. The compromise of 1941 involved state payment of a general medical benefit for services to patients, with doctors able to charge above that. Costs of hospital, pharmaceutical and nursing services were fully covered by the state by 1947. The continuing duality of public and private provision of health services has resulted in a persistent ambivalence in the health sector. Labour's generous social security and health measures, alongside the minimum family wages, signalled the endorsement of two distinct logics for the achievement of social protection.

The extension to the system of benefits in the 1938 Social Security Act can be said to have changed the extent to which paid employment was a prerequisite to social security. There was a greater level of freedom from the need to sell labour in order to maintain a socially acceptable standard of living. Sutch (1966:237) notes that it contributed both quantitatively and qualitatively to the wellbeing of citizens:

These ... [provided] more dignity and serenity in old age, less anxiety and suffering during working life, less pinching and scraping and undernourishment, more freedom and humanity in family relationships, and, to the individual person, greater opportunity for self-expression.

The increased generosity in the widows benefit, though, continued to reflect and reinforce the lower position of women in the labour market. By selectively targeting women without male providers, it "reinforced the norm of dependency and non-participation in the labour force for married women" (Brosnan and Wilson 1989:25). The sickness and unemployment benefits also reinforced this normative pattern. They "provided income related to family size for periods during which the male breadwinner could not work; a married women was eligible only if her husband could not support her" (Oliver 1977:21).

In the early-1940s with the shortages of labour that were associated with wartime conditions, young people were provided with the opportunity to receive high wages. Sutch (1966:269-270) records that public concern over the social and health dangers of the employment of children in factories resulted in the minimum school leaving age being raised to 15 in 1944. This established the norm of leaving high school at 15 with the prospect of immediately finding a job that could provide an adequate living. At the other end of the working life-cycle, the introduction of the small but universal pension payment in the 1938 Social Security Act entrenched 65 as the normative age for labour force exit.

The state's involvement in the stimulation of the economy and employment extended to housing initiatives. Housing had been a problem since the nineteenth century and the earlier initiatives of the Workers Dwellings Act in 1905 and the Advances to Workers Act of 1906 were unsuccessful in meeting the needs of the urban poor. The numbers of those needing adequate housing increased during the depression and provided the impetus for developments in state rental housing after 1935. Labour was committed to adequate housing as a right and embarked on a programme which saw the construction of over 15,000 houses and flats, financed by the state, between 1937 and 1944 (Oliver 1977:23). Not only was rental housing provided, but Oliver suggests that the goal of providing it at a cost within the means of the occupants was also reached.

Alongside the direct state provision of rental housing was the refurbishment of the State Advances Corporation in 1936 (Sutch 1966:187). The Corporation provided housing

finance to local authorities at a rate of 3 per cent for new housing at 90 per cent and more of the property value and completed house. Cheap finance was seen at the time as a welfare enhancing mechanism (Sutch 1966:188). The result was a rapid increase in the building of private dwellings, with an increase in owner-occupier rates from 52 per cent in 1947 to 69 per cent in 1986 (Roberts 1988:173). The resulting "highly institutionalised and culturally ingrained system of home ownership" for much of the post-war era is taken by Castles (1994a:9) to be an indicator of the persistence of the wage earner model. In the selective wage earner model, a high level of owner-occupier housing performed the function of providing a type of income security in old age (Castles 1994b:13). Private saving and mortgage repayments for housing provided a means by which individuals could achieve "horizontal life-cycle income distribution" (Castles 1994b:17). The growth in owner-occupier housing through this period, then, can be taken to be indicative of the persistence of that model, alongside the discrepant growth in social expenditure that occurred during the term of the First Labour Government.

The family wage and the male breadwinner pattern of labour supply was also promoted by the assistance given in housing. Housing assistance saw private home ownership as an attainable normative goal. Assistance was granted at a level that ensured the income of the sole male breadwinner continued to be sufficient. The effect was the re-assertion of the male breadwinner household through housing policy (Ferguson 1994:135).

The inadequateness of the state as it was constituted during the depression demonstrated the need for new structures more appropriate to the context of a small scale dependent economy. The election of Labour signalled the onset of a new state structure involving both quantitative and qualitative advances in its intervention in the economy and provision of welfare. The sheer size of the state was dramatically expanded during this period. New parameters were set for state revenue and expenditure in an increase in state activity which saw the number of public servants rise from 8,000 in 1935 to 34,000 in 1954. Spending in cash terms increased some 400 per cent between 1935 and 1949, largely a consequence of welfare policies and expenditure on public works such as housing and construction.

The development of the welfare state itself led to increases in the white collar workforce in the post-war period. There was dramatic growth in the bureaucratic structure of the welfare state. The burgeoning public sector structure required to administer the new and more generous social services dominated employment growth in the service sector. The steady expansion of white collar jobs such as teachers, social service workers and administrators was part of the growth. Similar trends were apparent in the housing sector - a consequence of the strategy of government investment in building a stock of rentals and in finance provision for private sector construction of owner-occupier dwellings.

World War II provided a "period of stabilization and consolidation" for the new welfare regime (Davidson 1989:147). The Emergency Regulations implemented during New Zealand's involvement in the war led to restrictions and close control of workers, with wages frozen, strikes prohibited and the labour directed according to government regulations. Wartime measures, however, provided a guaranteed export market, with Britain agreeing to purchase New Zealand's primary produce at advantageous prices. Production and employment in the domestic economy were therefore stimulated further.

The high level of labour demand in the war led to increased overall levels of female labour force participation. Labour force participation by women continued to rise following the war, despite a post-war increase in fertility. Increased levels of participation by women aged 45-64 mainly accounted for the rise (Revell and Brosnan 1986). Much of this increase involved married women, their proportion in full-time work rising from "8 per cent in 1936 to 18 per cent in 1945 and 56 per cent in 1986" (Brosnan and Wilson 1989:26). What emerged was the bimodal age distribution of women's labour market participation, with early years after marriage spent establishing the household before returning to the labour market after the birth of the children. Families, however, were still primarily dependent on full-time male employment and the median income for women was only 50 per cent of their male counterparts between the years 1951 and 1971 (Department of Statistics 1993a:129).

Full employment, though, effectively meant full male employment. Protectionist policies tended to favour male dominated industries promoting an industrial structure for the male

wage worker. The result was a clear pattern of labour market segmentation between male and female occupations and industries. For example, the building industry with its end-use value and production requirements of high male labour levels, was one that was favoured in post-war development. It incorporated "high priority male labour with traditional skills ...; an 'essential' product, housing ...; and use of domestic raw materials" (Mabbett 1988:572). Sutch (1966:195) described how the Housing Department:

[S]pecified New Zealand equipment and materials wherever the quantity and quality were available: thus was created a steadier demand for New Zealand-made gas and electric stoves, wallboard, fibrous plaster, bricks, tiles, and cement, and continuing employment in these fields, steadiness and continuous growth in the building industry, and jobs for building tradesmen where formerly building was notorious for its fluctuations.

Industries dominated by women, on the other hand, did not tend to receive the same consideration. The extent of their comparative neglect is illustrated in the lifting of the controls on textile imports in the early-1950s during the Korean War export boom, "which resulted in a substantial drop in women's employment in the female dominated textile industry" (Brosnan and Wilson 1989:29).

There were increasing levels of female employment and improving employment practices towards women in the state sector after 1945. Specific policies that had previously discouraged female labour force participation were removed. After 1946 the family benefit was no longer means-tested, effectively removing the disincentive for women's contribution to household income. Female income was separated from male income for tax purposes, decreasing their marginal tax rates. The emergence of growth in the service sector, particularly in the state services sector, was accompanied by the abandonment of exclusionary state employment policies and the encouragement of continuity of female employment. Equal pay was introduced into the state sector in 1960 and into the private sector in 1972. Discrimination in the workplace was prohibited after 1977. So, female labour force participation increased after 1945, but within a restricted domain of feminised jobs (Brosnan et al 1991:23).

The programme of industrial protection, initiated by the First Labour Government, was maintained after the war to assist in the diversification of New Zealand's agriculturally

dependent economy. The management of economic development and the fostering of full employment through protectionism and import substitution were pursued with more vigour in the post-war period. The country's productive base was expanded and reliance on primary exports reduced. In this environment there continued to be serious labour shortages (Brosnan and Wilson 1989:16).

Immigration policy in the 1950s and 1960s was a principal tool in the labour market policy of the government.² Excess labour demand was met by immigration rather than by retraining locals or assisting movement between occupations, industries or regions, and led to clear patterns of labour market segmentation. It played an important role in structuring the labour market position of key groups in the 1950s and 1960s and beyond. There were three major migratory waves, although total immigration was not limited to these. The first of these was not a wave of cross national migration, but involved the rural to urban drift of Maori where they were drawn into low and semi-skilled jobs; European immigrants travelled to skilled jobs; and from the 1960s, Pacific Island people filled manufacturing sector jobs.

The mobilisation of Maori during the Second World War launched the major rural to urban post-war migration. Shortages of labour in the new areas of industrial production encouraged Maori to become incorporated much more directly in paid employment. Alongside this, the Maori rural population boom of the early twentieth century, in part a reflection of the success of health policy initiatives and restricted rural employment options, provided an important push factor. Spoonley (1990:132) explains that, after the War, in the 1945 Maori Social and Economic and Advancement Act, the state initiated an explicit policy of moving Maori from the rural hinterland to sites of industrial growth in developing urban areas. Maori entered the economy as waged labour replacing upwardly mobile white workers and providing an accessible source of unskilled and semi-skilled labour in the growing industrial sector (see also Brosnan and Wilson 1989:15). The result was an increase in the urban Maori population from 17 per cent in the 1930s to over 75 per cent in the 1970s. In contrast, the rest of the population living

² Control of immigration is one of the "pillars" of the politics of domestic defence as outlined by Castles (1989).

in urban areas increased only from 70 per cent in 1936 to 84 per cent in 1976 (Brosnan and Wilson 1989:16).

The rural to urban migration resulted in a swift and significant change in the industrial distribution of the Maori labour force. Maori employment became concentrated in manufacturing while their participation in agriculture and traditional rural industries fell. Maori males were over-represented in the low paid, low skilled, manual occupations, and under-represented in professional, clerical and supervisory occupations. While less than one third of non-Maori males in 1956 were unskilled manual workers, more than two thirds of Maori males were unskilled manual workers (Brosnan 1987). Maori females were also concentrated in low skilled occupations.

Labour market considerations, in terms of the protection of the quality of life of New Zealand workers, were prioritised in post-war international migration policies (Farmer 1985:63). In the initial post-war period, short-term policies were adopted to alleviate the mismatch between labour supply and labour demand. Immigration legislation also allowed the free, and sometimes assisted, migration of workers from Commonwealth and other European countries, particularly the Netherlands, to fill the demand for skilled jobs. Immigration was liberalised after 1951 when there were only 38 people registered as unemployed and 21,968 notified vacancies. International migration was used to fill "shortages after the war of tradesmen, building and construction workers, farm labourers and hospital domestics, and later, ... professional, technical and trades personnel" (Farmer 1985:82). With immigration seen as the solution to labour shortages, the opportunity for Maori and women to have access to skilled occupations was reduced.

During the full employment years of the 1950s and 1960s, vacancies in the lower tiers of the labour market were filled by drawing rural Maori and married women into the labour force. The pool of rural Maori workers for low level manufacturing jobs was quickly depleted and by the 1960s there was a low unemployment rate for Maori and few Maori workers remained outside the urban industrial labour market (Brosnan et al 1991:26). The persistent need for that type of labour through the 1960s subsequently resulted in a substantial flow of migrant workers from the Pacific Islands (Spoonley

1990). Temporary migration of Pacific Island people, and permanent migration of those with rights to residency, resulted in Pacific Island workers being structured into the lowest tiers of the labour market, in large part as a consequence of government promoted initiatives. Those with rights to residency became permanent migrants and they provided an additional source of scarce, low level manufacturing labour (Brosnan and Wilson 1989:36). Temporary Pacific Island migrants became a reserve army of labour, encouraged to come to New Zealand when conditions were good, only to be forced out when it was perceived they were no longer required. Migration policy, then, was an important component of the strategy employed within this regime.

SUMMARY

The objective of this chapter has been to review the important characteristics of the male wage earner cum social expenditure welfare regime and to note linkages between these and broad patterns in the labour market. This is to achieve the aim of explaining labour market outcomes in terms of the institutional context, with particular emphasis on the institutions for the provision of welfare. The chapter began by outlining the linkages identified in the early social protection initiatives of the late nineteenth century. The review of this period suggests there was an overall configuration of movement between strategies for the promotion of welfare and outcomes in the labour market.

The raft of reformative legislation passed in the 1890s was significant in establishing the institutional framework that had an ongoing influence on both the nature of welfare policy in New Zealand and on the structure of the labour market. The passing of industrial conciliation and arbitration legislation promoted the ongoing establishment of unions and provided procedures for settling industrial conflict and enforcing industrial agreements. With conflict between workers and employers transferred to the courtroom, there was an increase in workplace stability. That stability can be linked to the growth in employment in the manufacturing sector (see Davidson 1989:182). The stability provided security for investment. It allowed the developing agricultural sector to take

advantage of developments in technology and had spin-off effects in the construction and service sectors.

The "enablement" policies of the 1890s promoted the settlement of land and the establishment of sustainable small scale farming. The support for the small farmer and the favouring of the agricultural sector in the introduction of the tariff system can be linked to the development of the strategically advantaged position of the farming sector in the New Zealand economy. As such, New Zealand became an agriculturally dependent colonial economy in the world marketplace (Shirley et al 1990:25). The proliferation of small scale farming was closely linked to the decline in the level of wage labour on farms and the use of family labour. Small farmers were unable to employ permanent workers, the result being the emergence of the poorly paid itinerant farm worker, many of whom were dispossessed Maori.

The establishment of legal minimum wage rates reflected and reinforced normatively ascribed roles. Men were institutionalised into the labour market as the primary source of labour, with male rates set on the basis of the role of provider, and female rates on the role of economic dependent. Male wages were practically twice the level of female wages. The entrenchment of men as the primary source of labour in key industries and occupations was also a consequence of legal protections which excluded women from working at particular hours.

The institutionalisation of an incomes-based approach to the provision of welfare firmly established men within the household as the breadwinner. The influence of these norms extended to the sphere of unemployment assistance, where the provision of work-based relief to the unemployed was offered on the basis of the male's role as provider. Marriage and motherhood became women's primary option for support. The industrial protections therefore reinforced deep-seated institutional norms in the social construction of the responsibility for work inside and outside the home.

New Zealand's residual welfare system depended on the strongly endorsed assumptions about women's dependency and their basic domestic and maternal functions (Tennant

1986:35-36). The responsibility for the direct provision of social assistance lay primarily with the family, and within this context it was women who were the primary source of social aid. Their place in the family established their role in supporting its members. This was reinforced by their effective exclusion from full-time employment after marriage.

The passing of the pensions legislation of 1898 occurred within the context of the institutional developments in the labour market. As Castles (1985) explained, a residual system of income maintenance was a natural concomitant to provisions for the avoidance of poverty by minimum wages. 'Deserving' vulnerable older workers, a social category who had historically relied on irregular casual employment, were excluded from the 1894 incomes measures. The old age pension was introduced in 1898 to meet their specific needs. The result was the establishment of a new normative category of citizen and the construction of the life-cycle stage of the "pensioner". This occurred rather rapidly, for as Sutch (1966:93) notes, 40 per cent of the Pakeha population over 65 were receiving the pension as early as 1901.

It was from this context that the male wage earner cum social expenditure regime from the mid-1930s emerged. That institutional matrix involved the development of corporatist type linkages between the state and in differing ways farmers, manufacturers and workers. Given the weakness of the New Zealand labour movement and its dependence on state sponsorship (Perry 1992:51), the Labour Party as the political wing of the union movement was able to reassert industrial conciliation and arbitration mechanisms. The strategic importance of the agricultural sector was recognised and farmers were kept on the land through mortgage repayment assistance, marketing assistance and guaranteed prices (Sutch 1966:222-223). Protection and assistance for manufacturers was institutionalised in legislative measures designed to enhance the organisation and development of industry.

The policy framework based on incomes policies, along with protectionism and generous social assistance that was ushered in after 1935, was based around a firm commitment to full employment. That commitment was institutionalised in specific employment

legislation (as well as in Reserve Bank legislation) and was pursued through the protection of the agricultural sector and through defensive and expansionist policies. It became the key element in the linkage between the welfare and labour regimes through the period. The secure environment for investment resulted in strong growth in the export and domestic manufacturing sectors. Security was enhanced by the stability achieved in the labour market through the re-institutionalisation of the industrial conciliation and arbitration measures.

The period after 1935 was characterised by a significant extension of the welfare activities of the state and a trend towards universalism in welfare provision. The Social Security Act 1938 raised the basic level of income security to which all citizens were entitled and provided, effectively, free access to health care. Housing assistance became more liberal, initially through the provision of state rentals and later through financial support for owner-occupation. With the achievement of full employment and the guarantee of a minimum family wage, most citizens did not require income support except during short intervals in their lives.

The high labour demand context of the 1950s and 1960 was responded to by government use of migration (internal and international) to manage labour supply levels. Maori and Pacific Island Polynesian workers were enlisted to fill the unskilled and semi-skilled positions in the burgeoning urban industries and were thus drafted into lower-tier labour market segments. In the full employment environment, though, the formation of stark lines of stratification in the labour market was somewhat mitigated as award conditions were passed between segments as employers attempted to attract workers. Union coverage of occupation or industry, compulsory union membership for those covered by award rates, and enforceable award payments did result in a high degree of equality in employment (Brosnan and Wilson 1989:2).

The wage earner provisions, though, did institutionalise defined levels of social stratification along gender lines. Full employment essentially meant full "male" employment. Male dominated industries were favoured in the protectionist and expansionist strategies. The minimum family wage further entrenched the gendered roles

inherited from the 1890s. Female economic dependency and non-participation in the labour market were therefore reinforced. The contemporary generous social security payments, targeted solely to women without male providers, also mirrored the strong normative basis of these roles.

The expansion in the size and scope of the state structure resulted in the development of a new public service labour market. A white collar workforce emerged to meet the need for workers to administer the new array of government activities.

3

THE LIBERAL WELFARE REGIME

From the mid-1980s a new liberal welfare and labour regime was instituted in New Zealand. This is not to say that there was a clear cut-off point from the male wage earner cum social expenditure regime as there were strong continuities between the historical periods. What did happen in the eight years following the election of the Fourth Labour Government in 1984 was, though, as Easton (1989:114) notes, "the policy equivalent of a scientific revolution" involving the introduction of a new analytical framework for the analysis of welfare and economic issues. This chapter introduces the background to this period and outlines developments in both the welfare state and the labour market. The objective is to identify and examine the distinctive features of the new pattern of institutional interaction that characterised the liberal welfare and labour regime.

BACKGROUND TO THE MID-1980s

The growth of an extensive system of social security after the 1930s introduced a high degree of ambiguity into the logic of the wage earner model. Alongside existing provisions for the minimum family wage emerged an extensive social security system (Castles 1994a:19). While the selectivist ethos remained a prominent feature of the

benefit system, universalist elements were evident in benefits for the family, superannuation and medical provisions. The result was a combination of European-based social expenditure welfare measures alongside an Antipodean incomes-based approach. It was a two pronged attack that was successful in achieving a high level of social equality.

By the late-1940s the reforming zeal of the Labour Government was spent. While the achievement of earlier policy goals was a moderating influence, successive governments were reluctant to look critically at New Zealand social services. The following years became "decades of inertia and regression" (Jack and Robb 1977:29). Policy and services continued basically unchanged or with only slight modification. The National Party was in government for all but three years between 1949 and 1972, during which time there occurred a gradual erosion of benefit levels and declining real levels of public expenditure. However, as minimum wage levels were maintained by the arbitration system through the post-war period of full employment, the declining real levels of welfare expenditure did not initially imply an increase in poverty.

Nevertheless, after two decades of relative neglect, the "rediscovery of poverty" at the end of the 1960s invoked a fundamental reappraisal of welfare provisions. Increased living costs and reduced family benefits had led to estimations that by 1975 a quarter of New Zealand children and their parents lived in poverty (Easton 1976; Cuttance 1974). There was a relative absence of working poor, but the attrition of state welfare payments meant the poor were largely the social security beneficiaries (Castles 1985:33). The erosion of real benefit levels meant the benefit system began again to resemble the highly selective wage earner model. Castles (1994a:19) therefore suggests that over this period the wage earner model "re-emerged by stealth" - with coverage within the welfare system returning to dependence on status as a wage earner rather than status as a citizen.

The deteriorating terms of trade and the oil crisis of the late-1960s and early-1970s produced a period of lingering economic stagnation characterised by inflation, large balance of payments deficits and unemployment (see Easton 1981:8). Britain joined the European Economic Community in 1971 and broke an old, secure colonial economic

relationship. Following the first OPEC oil shock in 1973, New Zealand faced the most severe drop in per capita real income of any OECD country (Perry 1992:38). It declined 11.5 per cent between 1973 and 1977. This was associated with a 41 per cent fall in terms of trade during 1974 and 1975 - the greatest externally induced deflationary shock in the OECD. With an increasing gap between export prices and import prices, New Zealand faced deteriorating economic performance from the mid-1970s. From this time on, new problems began to emerge with severe implications for New Zealand's economic performance.

The reality of increasingly unreliable foreign markets produced modifications to the defensive strategy of industry protection. From the late-1960s, strategies to achieve a greater level of diversification in industry to avoid dependency on a narrow range of export goods were implemented. There was resulting growth in, amongst other areas, horticulture, forestry, fishing and tourism. Agriculture had declined as a large employer and by 1971 only 12 per cent of the workforce were directly engaged in farming (Shirley et al 1990:25). The New Zealand economy was also steadily opened to international competition through this period. Import controls began to be dismantled, and the agricultural and manufacturing sectors were bolstered by incentives designed to enhance their export potential. Government initiatives in taxation, investment, research and development supported initial tentative steps towards a market-driven programme of restructuring (Shirley et al 1990:28). Many previously state supported factories, which were designed with the purpose of import substitution, were no longer viable, and some transferred their activities to exporting.

Private investment and employment were encouraged by the protective environment in which the restructuring occurred, with a net increase of over a quarter of a million jobs between 1966 and 1984 (Shirley et al 1990:29). In the process of industrial adjustment to new market structures, the labour demand context faced a certain amount of upheaval. Labour supply was re-directed into new diversified industries and typically involved transitions in which there was some frictional unemployment (Shirley et al 1990:28). Success in the achievement of full employment began to falter from the late-1970s, exposing those not covered by minimum awards through inclusion in a trade or industry to poverty.

Full employment, however, remained a major policy goal to be pursued as a matter of urgency through until 1984. Endres (1989:133) records that the activist approach towards full employment was exemplified in the New Zealand Planning Council's publication "Employment: Towards an Active Employment Policy" (1980). The report focused on the promotion of balanced macroeconomic and microeconomic policies that would lead to a level of unemployment that was at least equivalent to the number of available jobs (Beveridge-type full employment). This position was consistent with the National Government's economic policy programme through the 1970s and early-1980s (Endres 1989:133). Micro-policies continued to focus on import substitution and export subsidies as well as on the direct reduction of unemployment through job creation schemes.

In this context, immigration policy continued to be used as a mechanism by which Government attempted to manage the labour market. But, with escalating unemployment and looming economic recession through the mid-1970s, there was a significant modification to immigration policy. Brosnan et al (1991:27) record that this occurred on two fronts. Government halted the free access of white Commonwealth citizens, apart from Australians, and it became more reluctant to receive Pacific Island immigrants. Illegal Pacific Island overstayers became the particular focus of immigration policy and there was strong evidence that they were severely discriminated against in the enforcement measures that were adopted (see Spoonley 1990). For example, they faced a higher rate of prosecution in comparison with United Kingdom or United States overstayers (Brosnan et al 1991:28).

While a more regulated approach to immigration policy was adopted after 1974, the Reciprocal Trans-Tasman Agreement exempted the migration of Australian and New Zealand citizens from controls (Farmer 1985:66). As the opportunities in the New Zealand labour market in the late-1970s decreased, there was a period of "uncontrolled emigration" of New Zealand citizens to Australia, the magnitude of which is exemplified in the emigration patterns of 1978/1979. Attracted by higher real incomes and employment opportunities, 51.6 per cent of New Zealand's permanent and long-term emigrants moved to Australia (Farmer 1985:74). Of these, 68.5 per cent were New Zealand born. This mirrored the deteriorating labour market conditions through the

period, and, perhaps, the close relationship that had developed between the New Zealand and Australian labour markets.

Walsh (1993:182) reports that the Arbitration Court lost its control over the setting of employment conditions in the period between 1968 and 1984. Following the nil general wage order in 1968, the arbitration system began to disintegrate and unions and employers opted for negotiating outside the industrial conciliation and arbitration provisions. With confidence in the wage-fixing role of the Court weakened, governments from 1971 decided to use statutory incomes policies to control wage-fixing. Incomes policies were subsequently "renegotiated" in an attempt to improve the management of the wage relation and to achieve wage restraint. Prior to 1977, governments sought to recreate the Arbitration Court in the form of a series of tribunals that were given the task of managing the incomes policies. The virtues of a non-party political arbitration system were appreciated by the National Government by 1977, as Walsh (1993:184) notes, and the pre-1971 wage bargaining system was largely restored. This was not, though, a lasting solution and facing inflationary pressures from wage settlements, in an environment of rising unemployment, the National Government imposed a wage and price freeze in June 1982 which lasted until 1984.

The 1970s produced significant, but somewhat uncoordinated and ad hoc, developments in social security policies (Oliver 1988:36). Accident Compensation (introduced in 1972 following the Woodhouse Report) provided a comprehensive, earnings-related compensation scheme to be financed according to the insurance principle (Davidson 1989:301). Labour's tradition of favouring European-style welfarism was reflected in their short-lived enactment of a funded, earnings-related pension scheme in 1975. In each instance, these initiatives revoked the flat rate, solely tax-funded foundation of earlier social security payments.

The ongoing ambivalence within the wage earner cum social expenditure model, however, can be found in National's quashing of Labour's superannuation initiative and its replacement with the flat rate, centrally funded pension in 1977 (Castles 1994a:19). National rejected the social insurance, earnings-related foundation of the plan and re-instituted a pension system consistent with the wage earner approach. The eventual

unaffordability of this National Superannuation programme stemmed from the generosity of replacement rates and a reduction in the age of eligibility. The accident compensation scheme, with compulsory insurance based contributions, however, did remain in place.

These social policy developments of the 1970s can be seen in terms of the priority that was still given to full employment. In fact, there may be some merit in the view that the welfare state began to play an increasingly dominant role in the attempts to maintain full employment through promises of a "deferred social wage" (see Esping-Andersen 1990:174). The notion of a "deferred social wage strategy" involves the guarantee of prospective social benefits in return for current wage moderation. The implication is that wage restraint in the 1970s was sought by the provision of increases in social welfare protection - the deferred social wage. Hence, there was a growth in social welfare provision at this time (eg, National Superannuation and Accident Compensation). This view would suggest that attempts by successive governments in the 1970s to moderate the economic crisis saw the welfare state become a key mechanism in efforts to achieve wage restraint.

The ongoing fiscal consequences of these social wage bargains were higher government deficits and higher real taxes. A worsening fiscal crisis emerged from the deferred social wage and the concomitant inability of government to increase tax revenue, especially after the introduction of National Superannuation in 1977. Fiscal commitments due to social wage guarantees, alongside reduced tax revenue, meant that budget deficits became one of the few means of providing for social welfare and preventing unemployment. However, despite the pursuit of employment protection through counter-cyclical fiscal policies, industry protection, large scale production subsidies (agricultural, manufacturing and Think Big¹) and employment creation strategies, there continued to be problems in producing balanced economic growth.

The period also witnessed a "creeping revolution" in the concept of full employment. In the post-war period the notion was extended beyond all able-bodied men to encompass also all women, that is, anyone who wished to work (cf Esping-Andersen 1990:147). As

¹ "Think Big" was a term applied to a group of large energy-based projects with significant government investments.

a consequence, a basic element of the wage earner model was fundamentally challenged. As the value of the family wage declined through the 1970s, more women took advantage of increased employment and earning opportunities. The arbitration system contributed to this. While it had once been the "guarantor of the family wage, [it] became in the late-1960s and early-1970s a mechanism actively promoting equal pay for women through award decisions" (Castles 1994a:26-27). However, despite the passing of legislative constraints on discrimination in the 1970s, equality in labour market outcomes was not achieved for women. Women continued to face an earnings disadvantage, in large part a consequence of their segregation into poorly paid occupations and their over-representation in low status positions within those and other occupations (Brosnan et al 1991:25).

Expanding labour market prospects for women conflicted with their socially ascribed responsibility for domestic work and child care in particular. The absence of quality child care facilities can be linked to the fact that many women tended to make themselves available for work only when it did not demand the use of formal child care facilities (see Brosnan and Wilson 1989:31). However, given the strong male breadwinner household context on which much of the welfare regime of the mid-century rested, there was strong normative pressure on women to resist the use of non-family child care.²

As it was, men's wages were no longer sufficient to maintain the standard of living New Zealand families expected. Moreover, only 38 per cent of families relied on a sole income by the early-1980s. In addition, the increase in the number of sole parent families suggested the growing obsolescence of the wage earner model (Brosnan et al 1991:23). The logic of the male breadwinner basis of social protection became, as Castles (1994a:26) suggests, "antediluvian".

² See Chapter 6. Kell Easting (1992:127) also refers to the view prevailing throughout this period that child care was only for deviant families where the mother was "forced" to work.

THE LIBERAL WELFARE AND LABOUR REGIME

From 1984, a new regime was instituted in New Zealand by successive governments with far-reaching effects. The "liberalisation" of New Zealand's welfare regime began after the 1984 election of the Fourth Labour Government and was completed in the 1990-1993 term of the National Government. Labour concentrated on public sector reform and economic liberalisation but they made no fundamental alterations in traditional areas of social welfare policy (eg, social security, health care and housing). However, Labour's period in government set the political and ideological climate for the extension of the neoclassical policy agenda into these areas by National after 1990 (O'Brien and Wilkes 1993:171; Castles and Shirley 1996:89).

By 1984, the Labour Party's shadow Finance Minister (Roger Douglas) had shifted from preferring an interventionist/corporatist tendency to a free market/restructuring position as the best response to the economic policy challenges facing New Zealand in the early-1980s (Oliver 1989). Similarly, Treasury, by 1984, had abandoned Keynesianism and had fully embraced the neoclassical solutions which had been tried in the United Kingdom and the United States from the late-1970s (Goldfinch and Roper:1993:55). Between 1984 and 1988, Douglas and the Treasury went on to dominate an economic reform process that laid the foundation for a new institutional set-up in New Zealand. From as early as 1987, Boston and Holland (1987:1) asserted that:

In virtually every field of public policy, long-standing assumptions have been questioned, vested interests challenged, and existing approaches to solutions re-evaluated and often abandoned.

Shannon (1991:72) referred to this period as representing "perhaps the most fundamental change of direction in the history of New Zealand's public policy".

Following the election of the Fourth Labour Government in 1984, the basic premises of the wage earner and social expenditure models were abandoned in favour of other macroeconomic objectives. Priority was given to the achievement of price stability over full employment. Protective trade barriers, price controls and subsidies for local producers were largely abolished in the pursuit of a liberalised economy. There has been a preference for a narrowly defined level of government involvement in society and the

economy, and the encouragement of the private and voluntary sectors to undertake many of the activities previously carried out by the state. Welfare assistance began to be characterised by a greater degree of selectivity and more emphasis has been placed on individual responsibility for provision. In addition, labour market protections were removed and wage levels and conditions were no longer to be set by an institutionalised procedure for industrial conciliation and arbitration. The ultimate demise of the wage earner model was signalled when the tradition of labour market regulation and wage setting was abandoned in 1991.

The programme of welfare regime restructuring coincided with a rapid increase in the level of unemployment. It mirrored the reconceptualisation of the notion of full employment, along with the choice of policies designed to achieve it (Endres 1989:132). The new approach to employment policy mirrored the view that efforts to reduce unemployment towards Beveridge-type full employment produced inflation. The First (1935-1949), Second (1957-1960) and Third (1972-1975) Labour Governments had each respectively asserted the priority of social welfare, employment and full employment objectives over price stability (see Whitwell 1990:101). This changed following the election of the Fourth Labour Government, when the stabilisation role of government monetary and fiscal policy was re-interpreted in late 1984 to exclusively mean "anti-inflation policy, with little or no *immediate* emphasis on maintaining the old objective of full employment" (Blyth 1987:4-5; see also Endres 1989:133). Controlling inflation, then, was prioritised in decisions about employment and social policy.

Endres (1989:139) outlined the change in approach to full employment:

[Prior to 1984] unemployment was considered as an unintended consequence of policy actions (or inactions) taken to pursue other proximate objectives, but policies would have been adjusted or supplemented to ameliorate employment losses. By contrast, after 1984 higher unemployment was a predicted ... consequence of a commitment to disinflation to which no concessions in the form of supplementary policy actions or policy adjustments would need to be made.

The repeated assertion in official documents was that sustainable economic growth had to be established *before* full employment could be achieved (Endres 1989:140). The occurrence of high unemployment was not considered an immediate problem for macro-policy, but for policies at the micro-level (Endres 1989:144). These policies were defined

by the neoclassical interpretation of the work/welfare interface and involved a decline in the use of subsidised job creation, training and job redeployment assistance. They reflected a new objective of actually decreasing "expenditure on employment creation and maintenance" (Mabbett 1988:589; see also Endres 1989:141).

The approach was based on the monetarist argument that governments could not increase economic growth or employment by spending to stimulate demand. As Bertram (1993:37) noted, the tide against Keynesianism had turned, and a tight monetary policy was seen as the only way of restricting the inflationary pressures that had dogged the economy since the 1970s. Extra spending, it was argued, would only feed into "destructive" inflation, and a natural rate of unemployment would re-emerge once the population adjusted to these inflation expectations. Endres (1989:139) notes that by 1987, "Treasury unashamedly recognised that the 'short-term' consequences of dis-inflating were 'lost output and higher unemployment' with little respite in prospect". Under the new regime, price stability became the sole concern of the Reserve Bank, with employment and economic growth left to market forces. The new approach to economic management was institutionalised in the Fourth Labour Government's Reserve Bank Act 1989 in which the Reserve Bank was given the sole objective of achieving and maintaining price stability (Dalziel 1993:84).

Economic liberalisation was advanced in conjunction with the tight monetarist approach. Liberalisation involved the removal of state intervention which had supported the primary agricultural core, and resulted in declining production levels and export receipts. Manufacturing, which had formerly been sustained by protectionist strategies, foundered under an influx of cheap imported goods (Jesson 1987:80-82). The removal of external barriers to trade, the reduction in assistance to industry and agriculture, and the removal of price controls had significant labour market effects.

The public sector was fundamentally restructured to operate according to new disciplines through the State-Owned Enterprises Act 1986, the State Sector Act 1988 and the Public Finance Act 1989. Government owned trading departments were corporatised, many were privatised, and the remainder of the core public sector was exposed to private sector logic and market disciplines in the drive to improve efficiency and accountability. The

accompanying accounting and contracting processes saw much of the work previously carried out by public servants undertaken by the private sector. In the social services such as health and social work, for example, the private and voluntary sectors assumed a new importance in the delivery of services.

The substantial redistribution of employment between the public and private sectors resulted from the combined impact of corporatisation, privatisation and retrenchment in the public sector. Many of the activities previously carried out by the public sector were shifted into the private and voluntary sector and were conducted according to private sector principles. The widespread corporatisation and the selective privatisation of government trading organisations in 1987 followed the passage of the State-Owned Enterprises Act 1986, resulting in a contraction in public sector employment (Department of Statistics 1993a:18-19). The Department of Statistics (1993a:18-19) reported that 34 per cent of all employees were classified as working in the public sector in the Labour Department's Employment Survey in 1980 and that this had declined to 32 per cent by 1988. However, it was noted by the Department of Statistics (1993a:18-19) that it subsequently:

... took responsibility for collecting data on employment by sector [and] this series is not directly compatible with the Department of Labour's collection. Despite this, the later series reinforces the initial indication of a contraction in public sector employment. Between 1989 and 1991 the public sector's share of employment fell from 30 to 27 per cent. This reduction occurred as employment within central government trading organisations decreased by 39,700.

The employment experience of remaining state sector employees was also profoundly changed. The State-Owned Enterprises Act 1986 converted government trading departments into commercially based corporations to be run according to profit making principles. The State Sector Act 1988 removed the old assurances of a job for life in the public sector and substantially altered public service terms and conditions of employment. Remaining public sector workers experienced the introduction of private sector employment practices which emphasised short-term contracts, measurable performance and increased efficiency. As a result, the culture of employment in the public sector was transformed. For example, the security of a life-time career was replaced by fixed-term performance related contracts. Walsh (1990:136) described the change as one from bureaucratic control to managerial control. As such, the rules

surrounding the employment relationship prescribing "the work that individuals performed, appointments, promotions, appeals, dismissals, classification and grading, pay-fixing, and other conditions of employment" (Walsh 1990:136), were eliminated and replaced by a greater scope for discretion by the parties involved in managerial-based relationships.

Between 1984 and 1990 there was persistent lobbying from Treasury (1984; 1987) and the Business Roundtable for a retreat from the delivery of social assistance on the basis of rights, as inherited from social expenditure initiatives of the 1930s. They promoted a higher degree of targeting (Boston 1992:6). The Labour Government did go some way toward implementing this, introducing in 1985 a tax surcharge on retirement pensions. It targeted assistance to low income families through the family and youth support programmes. Means-testing of student allowances for 18 and 19 year-olds was also introduced from 1989. However, Labour rejected Treasury recommendations for significant cuts in welfare expenditure and the stringent means-testing of most forms of social assistance (Boston 1992:6; see also Kelsey 1995:276).

During the 1980s, the gap widened between the disposable income of the top 20 per cent of earners and that of low and middle income groups (Department of Statistics 1993a:128). The increasing income inequality was not only a factor of increasing wage dispersion (Castles and Shirley 1996:101). Labour had introduced a flattened tax system, replacing the redistributive progressive tax rates inherited from the previous welfare regime.³ The shift in emphasis from direct progressive taxation to indirect taxation through the Goods and Services Tax, and lower income tax rates, bore most heavily upon those with low incomes (Oliver 1988:40). With the flattened tax system, the top marginal rate of which was set at 33 cents in the dollar (previously 66 cents in the dollar), the wealthy effectively received large tax deductions. Stephens (1993:45, 59; in Kelsey 1995:211) calculated that the changes meant that:

³ The restructuring of taxation systems in a search for enhanced productivity was a common OECD trend in the 1980s, but this process went further in New Zealand (see Castles and Shirley 1996:101).

... effective average tax rates including GST for couples on average earnings with two dependents increased from 18.7 per cent to 24.1 per cent. Average tax rates for similar couples on three times the average income declined from 40.3 per cent to 34.9 per cent.

This also reduced the level of revenue available, thus increasing the necessity for targeting and, at the same time, making that targeting more politically defensible (Boston 1992:6).

Family care and other rebates to earners were combined into "family support" in 1986, a scheme targeted at low income earning families as well as beneficiaries which contained both special tax rebates and a payout adjusted to family size and income (Kelsey 1995:209, 289). A sizeable section of the community therefore became state welfare recipients, not for reasons of adversity nor even inability to gain work, but because they could not earn sufficient to keep themselves (Oliver 1988:40-41). For the first time since the 1890s, there was an explicit policy recognition that for many workers wages would not be paid according to need. It was an outcome of the new pre-eminence given to market imperatives and business profitability in the determination of wage levels.

The greater allowance of inequality of income distribution that began to occur under Labour was accentuated under National. Following the election of the National Government in 1990, a more rigorous targeting regime was implemented in income and pension support, housing, health care, education, child allowances and legal aid. The December 1990 benefit cuts were noted for their severity and impact in generating considerable poverty among beneficiaries (see Kelsey 1995:277). The family benefit was abolished and the guaranteed retirement income and invalids benefits were frozen. The 1991 Budget increased the surtax on National Superannuation -the state pension. Initial plans to restrict eligibility to the pension and, effectively, to provide it on the same basis as any other means-tested benefit were resisted by a vocal pensioner lobby. Nevertheless, an increase to the surcharge was made, the timeframe for extending the age to 65 reduced, and the size of the payment was fixed for three years. The extension of the age of pension entitlement to 65 forced workers in their late fifties to remain in the workforce for longer than they had expected or planned. The Budget also raised the age

of eligibility for the domestic purposes, sickness and invalids benefits, and extended the work test and stand-down periods for unemployment applications.

Alongside a preference for increasing selectivism in the distribution of social security, were calls for greater flexibility in the labour market. Treasury's 1984 briefing papers to the incoming government had called for "a reorientation of policies which are currently inhibiting ... economic performance and the removal of impediments to a more flexible labour market" (Treasury 1984:237). The labour market regulations that were specifically targeted comprised the "national award system, occupation-based bargaining, centralised arbitration, government wage-fixing and compulsory union membership" (Kelsey 1995:174). The Labour Relations Act 1987 had been an attempt to limit radical labour market legislation reform by a Labour Government which still had effective links with the union movement. An underlying goal of the Act was to counter the drive to deregulate the labour market by streamlining and rationalising union organisation rather than by destroying it (Kelsey 1995:175; Walsh 1989:168). Unions were required to have a minimum of 1,000 members, but awards continued to provide blanket coverage. The legislation was directed at combating second tier bargaining which was believed to be a key cause of wage inflation. It required a worker to be covered by only one registered agreement. Therefore, Brosnan and Rea (1992:190):

If a union wished to have separate negotiation with a particular employer, that employer had to be cited out of the award. The separate negotiations were not underpinned by the award as they had been previously.

Employers maintained that these measures did not go far enough, and after 1990 the National Government was able to extend the programme of economic liberalisation into the labour market. Within just six months of winning the 1990 election, National passed the Employment Contracts Act 1991. The Act abolished compulsory unionism and registered national awards, enforceable in their own right. The system of arbitration was rejected, the ability of unions to freely associate was seriously undermined, and the right to strike was severely curtailed. State support for collective bargaining was withdrawn, resulting in a substantial shift in the balance of bargaining power, away from unions and towards employers. Under the Act, the focus shifted from "the collective to the individual level, and the locus from the industry or occupation to the individual

employing enterprise" (Anderson 1991:127). The consequences, as noted by Walsh (1992:74) were apparent in:

... a substantial, perhaps irreversible, fall in trade union membership and collective bargaining coverage, the continued erosion of employment conditions and employment security, a growing sense of employer strength and (in some cases) militancy.

The tradition of labour market protection dating from 1894 was abolished. The system of enforceable minimum awards and practically all the legal protections accessible to workers in New Zealand from late last century were removed (Davidson and Bray 1994:2).

The nature of the employment experience was very much structured by the new institutional environment. Union membership was down from levels of 52-63 per cent to 34-43 per cent - depending on the measures used (Turner 1995:287). Enterprise bargaining became the norm and 45 per cent of workers formerly covered by a collective agreement lost that coverage. Individual employment contracts therefore became more prevalent, indicating a weakening in the bargaining position of workers. The high unemployment context of those relations further weakened the position of workers. Employers were able to persist with a simple short-term cost-cutting approach to labour. The described effect was a workplace environment characterised by "low morale, low levels of loyalty toward, and trust in the management, [and] low job satisfaction" (Wilson 1995:282).

The decline in size of the state sector resulted in many services being taken over by the private sector. This coincided with the neoclassical agenda of having social services provided by the market. Growth in service employment in the private sector suggested, not only that a greater proportion of workers were exposed to the labour market provisions of the Employment Contracts Act, but also the emergence of a new pattern of service employment growth. Variation in growth rates within the service sector indicated this (see Department of Statistics 1993a:12 Figure i.3).⁴

⁴ The new pattern of service employment growth was in part evident in the threefold growth in Real Estate and Business Services and the more than doubling of Finance Services.

Part of the new service growth was in managerial activities, suggestive of the trend towards managerialism in New Zealand. Consultants were employed to implement management reviews and exercises of Total Quality Management became increasingly prevalent in the workplace (see Wilson 1995:282). In his description of managerial employment in liberal welfare states, Esping-Andersen (1990:202) explained its prominence as a consequence of several factors, two of which have relevance to the reforms that occurred in New Zealand. First, he argued that the residual nature of the welfare state in the United States resulted in a high level of fringe benefits or occupational welfare in workplace arrangements. A host of managers, he suggested, was required to administer these arrangements. New Zealand's increasingly residual social assistance measures, and a new interest in occupational welfare, or privately provided insurance schemes as in health and superannuation, therefore explained the growth in both financial and business services. Second, Esping-Andersen (1990:203) suggested that the combative nature of American industrial relations, and the absence of neo-corporatist practices (between state, union and employers) led to a situation where unions did not perform the function of policing rank and file workers. Firms were therefore obliged to exercise control requiring the aid of armies of supervisory staff. The declining levels of union membership in New Zealand may well have had a similar effect, and growth in the management sector may have been a response to an increased need for supervisory staff.

The most obvious outcome in the labour market as a consequence of the reconceptualisation of the full employment goal and of the measures adopted to achieve it was a sharp rise in unemployment. Registered unemployment rose from 25,000 in 1980 to a peak of 229,391 in December 1992 before declining again to the level of 160,088 in March 1995 (Fletcher 1995:21). The programme of public sector reform and the resulting corporatisation and privatisation made a significant contribution to the dramatic increase in job loss. The agenda of corporatisation and redundancies in the state sector alone resulted in the direct loss of approximately 30,000 jobs (Brosnan and Rea 1992:190). Incongruously, as unemployment increased, the preference for market based solutions to the problem of unemployment resulted in the phasing out of the active labour market policies that were in place prior to 1984 (Castles 1994a:28).

Long-term unemployment emerged as a new phenomenon in this period. Nearly half (47 per cent) of all unemployed workers had been without work for over six months for the year ended March 1992 (Department of Statistics 1993a:143). Of the officially unemployed in March 1992, 27 per cent (46,900) had been out of work for more than 12 months, and 12 per cent of these (20,500) had been out of work for more than two years. Job losses occurred in all but the finance and community and personal services sectors (Brosnan and Rea 1992:199). The most severe reductions in employment were in the manufacturing sector which in 1985 employed around a quarter of the workforce and where a fifth of those jobs had disappeared by 1990. Maori and Pacific Island people were affected most severely. Three out of five Pacific Island men and virtually half of Pacific Island women were employed in manufacturing at the 1986 census (Brosnan and Wilson 1989:48). Maori were also vulnerable to the decline in manufacturing, despite being spread more evenly across occupations than Pacific Island people. Major job losses also occurred in agriculture, where one job in seven was lost, and construction where up to a quarter of all jobs were lost (Brosnan and Rea 1992:199). Alongside decreases in manufacturing and construction, large employment losses were sustained by production workers and labourers; 23 per cent of male workers and over 40 per cent of female workers in that category lost their jobs. The other major loss was the substantial reduction, by about a fifth, of the number of males in clerical work in the manufacturing and building sectors (Brosnan and Rea 1992:199-201).

Unemployment was therefore unequally distributed across different groups in the workforce. 1991 census data indicated that the level for Maori was 24.2 per cent and for Pacific Island Polynesians it was 21.1 per cent, while the national average rate was 10.4 per cent (Department of Statistics 1993a:140). Maori and Pacific Island Polynesians were also over-represented amongst the long-term unemployed. Maori, while 9 per cent of the labour force, comprised 30 per cent of those unemployed for 12 months or more, and Pacific Island Polynesians at 3 per cent of the labour force, comprised 15 per cent.⁵

⁵ There was evidence that the rural-urban drift of Maori in the mid-century period was somewhat reversed over this period of labour market upheaval in the 1980s (Robinson 1988:45-46). While a cultural revival and the pull of ancestral ties to marae in the countryside is recognised as a factor in this, the declining labour market opportunities in urban centres must also be acknowledged as an influence.

For those in work there was also an overall decline in real wages in the decade up to the early-1990s. Real pre-tax and disposable household incomes fell by 15 and 10 per cent respectively between 1981 and 1993 (Mowbray and Dayal 1994:121).⁶ Furthermore, Mowbray and Dayal (1994:121) reported growing inequality in the overall distribution of income, with low and middle income households experiencing greater falls in real incomes in comparison with high income households.

Falling real incomes for workers were exacerbated by the benefit cuts of December 1990 and the more restrictive unemployment benefit eligibility criteria of the 1991 Budget. The cuts were explicitly tied to labour market objectives and the maintenance of the principle of less eligibility, given declining real wages through the 1980s (Shipley 1991). The new eligibility requirements, which included a six month stand-down period for workers declining an offer of employment or for dismissal from employment for misconduct, represented the intent to impose a greater level of control over workers through the benefit system (O'Brien and Wilkes 1993:171). Families were left with added responsibilities for older unemployed teenagers and adult children up to age 25. The selectivism was entirely in line with the precepts of the neoclassical view which focused on the labour supply disincentive effects of social assistance. One side-effect, though, was dramatic growth in the use of other benefits such as the sickness benefit and the invalids benefit.⁷ Many of these benefits were used by the unemployed or those nearing retirement age, which somewhat hid the real level of unemployment. While official unemployment figures began to decline after 1992, the numbers on sickness and invalids benefits grew (see Kelsey 1995:279).

The institutionalisation of a lower effective minimum wage rate through the benefit cuts indicated not only an acceptance of increasing inequality between workers and beneficiaries, but with a lowering at the bottom end of the labour market, a new acceptance of increasing inequality within the workforce (resulting in a greater level of social inequality). The lowest paid members of the labour force suffered particularly

⁶ Unemployed households are included in these statistics.

⁷ *The New Zealand Herald* (2 January 1995) reported that from 1988 to 1995, the number on invalids benefits increased 46 per cent and the number on sickness benefits more than doubled.

badly during the period of policy and institutional upheaval. As their real wages fell and the distribution of income became more unequal (Brosnan and Rea 1992:202), past lines of social stratification (previously moderated by the protections of the award wage system) were accentuated.

While households were receiving lower real incomes, and while reliance on benefits had grown, so too had costs. For example, families were increasingly left with the responsibility for older unemployed teenagers or the cost-effects of targeting for students in tertiary education up until the age of 25. The routine of leaving high school and immediately finding full-time work disappeared in the difficult labour market conditions and the age of entry into the full-time workforce was effectively raised. Youth were also disproportionately affected by unemployment after 1984 and an increasing number of school-leavers began to enter the ranks of the jobless or moved on to tertiary education. In 1992, younger workers (15-24 year olds) who comprised 23 per cent of the labour force made up 42 per cent of the unemployed. The concentration of unemployment amongst youth workers had declined, however, since 1988 when they had made up 51 per cent of total unemployment. The decline may well have been an outcome of the raising of the compulsory school leaving age to 16 and of the increasing numbers of youth entering post-compulsory education (Department of Statistics 1993a:141). It is clear that the deterioration of labour market conditions coincided with higher retention rates at the senior level in secondary schools and the rapid increase in tertiary education student numbers through the later-1980s and early-1990s (Boston 1992a:187). With the ethos of targeting extended to tertiary education after 1990, via a means-tested fees and allowances policy and a new student loans scheme, post-secondary school students were required to bear significantly greater tertiary education costs at a time when they had markedly fewer opportunities to move directly into paid employment.

The primary site of new labour market segmentation processes occurred between permanent workers employed by larger employers, who had maintained the capability to achieve collective settlements protecting their conditions, and workers in smaller enterprises and traditionally unprotected groups. Hammond and Harbridge (1993) found that under the Employment Contracts Act women had done much worse than men in their wage settlements and rates of pay. Men were more liable to obtain greater wage

rises than women and the male/female wage differential increased in accordance with a gendered pattern of work-time arrangements (Hammond and Harbridge 1993:28). Increased flexibility in working times for women had come at the expense of allowances. With the reduced activity of unions and simplified processes for laying off workers, working conditions in semi-skilled and casual labour markets became detached from those of core labour market workers in the new deregulated environment (Easton 1991).

The increasing scope for variation in work-time arrangements, or labour market flexibility, was therefore closely linked to new patterns of segmentation (Department of Statistics 1993a:28). It is in this environment that there has been growth in the proportion of the workforce employed in casual, fixed-term, temporary, weekend and other non-standard work arrangements. Reasons given for growth in part-time work include: the declining availability of standard full-time jobs; the increasing level of married women combining unpaid and paid work; the increasing inadequacy of single incomes to support households; and increasing levels of young people combining part-time work with study (see Haines 1989:24-25; Department of Statistics 1993a:27). The bulk of part-time employment is within the service sector - the Wholesale, Retail Trade, Restaurants and Hotels and Community, Social and Personal Services groups. But within these groups, full-time jobs were increasingly turned into part-time jobs, and amongst part-time workers there was a growing proportion of individuals forced to accept part-time employment when they in fact wanted full-time employment (Brosnan and Rea 1992:199). Worker isolation had increased in these workplaces and earlier protections had disappeared. Part-time and casual workers became more dependent on the minimal protections provided by such statutes as the Minimum Wages Act 1983 and the Holidays Act 1981 (Andersen 1991:140).

The practice of multiple job holding has also increased since 1981. The Department of Statistics (1993a:35) noted an increase from 4.4 to 6.7 per cent. Most people who held more than one job combined part-time work with a full-time job, up from 3.2 per cent in 1981 to 4.4 per cent in 1991 (Department of Statistics 1993a:35). Together with the increase in people working part-time, these changes have resulted in a notable drop in the percentage of workers with only one full-time job, from 82.2 per cent of the workforce in 1981 to 76.9 per cent in 1991.

The male breadwinner pattern of labour market activity had become, by the mid-1980s, just one of a variety of bases for household labour supply given the increasing diversity in patterns of employment and family structure. By 1991, the typical New Zealand family of a couple and at least one child living with them at home was representative of only 38.5 per cent of all families and 29.1 per cent of all households (Lovell and Dayal 1994:12). The proportion of sole parent families, on the other hand, increased from 21 to 26 per cent between 1986 and 1991, the vast majority of which were headed by women (Hyman 1995:120). In addition, with high levels of male unemployment in the 1980s, a growing number of female breadwinner households emerged. By 1991, 15.7 per cent of two parent families where the father was unemployed, had a mother employed full-time (Lovell and Dayal 1994:18). With 86 per cent of fathers and 58 per cent of mothers in paid employment by 1991, the majority of two parent families had two sources of labour market income (Lovell and Dayal 1994:18). As dependence on two incomes in two parent households became increasingly normal, the incidence of sole male breadwinners in standard full-time jobs diminished further.

The marked net migration outflows of the late-1970s resumed under Labour after a brief respite in the early-1980s. A review of immigration policy, unveiled in 1986, was characterised by its continued emphasis on using immigration as a tool for the management of the domestic economy. As Trlin (1992:2) records, the prime objective continued to be the operation of "a programme of occupational immigration that would be responsive to skill shortages arising in particular sectors and under certain conditions".⁸ A significant change in the selection criteria for immigration on occupational grounds, though, was the abolition of the preference for migrants from "traditional source countries". This provided for an intake of migrants from more varied backgrounds than previously. It mirrored the liberalising programme of the neoclassical agenda to the extent that it opened the way for the promotion of business immigration (Trlin 1992:23). An important plank of this was the Business Immigration policy which had the aim of attracting entrepreneurs with "demonstrated ability and investment capital" who could contribute to the process of reconstructing the New Zealand economy (Trlin and Kang 1992:49). The general tenor of Labour's deregulation programme

⁸ Other objectives included: family reunion, refugee settlement, assistance in external and social economic development, and facilitating international travel (see Trlin 1992:2).

dictated that business immigration be much more freely administered - without controls on the selection of migrants, the direction of the new investment, and the proof of transfer of specified amounts of capital (Trlin and Kang 1992:50).

Nevertheless, net migration outflows "...averaged 11,000 a year between 1985 and 1991, seriously depleting the pool of skilled labour" (Kelsey 1995:338). The targeting of business investment as a criteria for immigration was rejuvenated under National in 1991 (Kelsey 1995:338). "Business immigration" became a necessary part of the strategy of revitalising the languishing national economic performance. In addition to the economic benefits of increased investment and new international market opportunities, immigration was used to offset migration losses and slow labour force growth (Trlin, Forthcoming:30). It generated a net inflow of around 5,000 migrants a year between 1991 and 1993, of mainly professionals and technicians, with many from Asia. New Zealand was importing not only skilled labour, but also capital, that it was unable to produce from within.

Kelsey (1995:339) also reports that at the other extreme there was evidence of "immigrant workers being paid below-subsistence wages and forced to live in sub-human conditions". In the environment of high unemployment, combined after 1991 with the Employment Contracts Act, employers were prompted to "play off local workers against migrant labour to drive the costs of both down" (Kelsey 1995:339).

SUMMARY

The objective of this chapter has been to sketch the background to developments in both the welfare state and the labour market after 1984 and to outline the nature and consequences of those developments. The basic intention has been to provide the basis for the observation of the new pattern of institutional interaction that characterised the liberal welfare and labour regime. As with Chapter 2, this chapter facilitates the explanation of labour market outcomes in terms of their institutional context, with particular emphasis on the institutions for the provision of welfare.

Since 1984, a significant institutional reconfiguration has occurred. The institutionalisation of the liberal welfare regime began with the application of the neoclassically inspired monetarist approach to the problem of unemployment and inflation. The result was a fundamental reappraisal in the way full employment was conceptualised and in the mechanisms that were appropriate for achieving it. There was little emphasis on maintaining the old aim of a level of unemployment equivalent to the number of job vacancies. Rather, the primary focus in the management of the economy was on the achievement of price stability on the grounds that this would provide the basis for sustainable economic and, according to the new orthodoxy, employment growth.

The liberalisation of the economy and the reform of the public sector occurred in conjunction with the application of this monetarist strategy. The economy was deregulated, protective trade barriers were dismantled and markets were given their head. In the restructuring of the public sector, there were large scale redundancies and many activities were transferred to the private sector. There was, therefore, a significant level of growth in employment in the private service sector.

The combination of the new monetarist orthodoxy and the restructuring resulted in a rapid increase in unemployment. This unemployment was unequally distributed and affected those groups most vulnerable in the labour market - Maori, Pacific Island Polynesians and youth. Growing numbers found themselves trapped in long-term unemployment. In this context, full-time paid employment became no longer easily accessible and secure. Semi-skilled and casual workers and marginalised groups such as women, Maori and Pacific Island Polynesians were most vulnerable to the loss of protection.

In an environment of state and employer hostility towards unions, state sponsorship of unions was abandoned and a straightforward market and voluntary contract model of industrial relations was established. Business adjustment to international market fluctuations was to be facilitated by unhindered labour market flexibility. The result was an increasing risk of job loss, decline in worker protection, significantly lower union coverage and a weakened bargaining position for workers. Employment became the

"*quid pro quo* for wage restraint" (cf Esping-Andersen 1990:178). In the absence of any institutional mechanisms for exercising wage restraint at the macro-level, that restraint could only be exercised at the level of the individual worker.

With the adoption of a political business cycle approach to the management of wage pressures and inflation, a new legitimacy was given to the practice of large scale redundancy programmes as a means of maintaining business profitability in a naturally volatile international marketplace (see Esping-Andersen 1990:162).⁹ This suggests that the escalation in unemployment as a result of the 'restructuring' of the 1980s was not a one-off exercise, but rather, that unemployment will continue to be used as a means of achieving other macroeconomic objectives, such as wage moderation and price stability. The labour market stability of the earlier period was lost as the strategies for the achievement of full employment were abandoned. It was this backdrop of dramatically increasing unemployment that set the tone for other outcomes in the labour market post-1984.

The policies of the liberal welfare regime resulted in a vigorous return to the principles of selectivism and targeting. A cursory view, following the five decades of social expenditure welfarism introduced by the First Labour Government, could suggest a reversion to the basic principles of selectivism in the wage earner model. However, the protection that existed for workers under the wage earner model disappeared with the removal of the protections provided by the system of industrial conciliation and arbitration. The passing of the Employment Contracts Act 1991 marked the finish of the wage earner model and its use of the institutions of wage control for the regulation and pacification of conflict between workers and employers (Castles 1994a:31).

While the male breadwinner norms of the 1890s and 1930s had become increasingly detached from the reality of paid employment in the 1980s, there were contradictory signals in the institutional arrangements of this period. On the one hand, initiatives for the targeting of welfare assistance after 1990 stressed the core family as the unit of entitlement (St John 1994). The propensity for these initiatives can be seen to lie within

⁹ Esping-Andersen (1990:162) refers to this as a "Kaleckian" political business cycle approach.

the social conservatism of the National Party, as well as the strong male breadwinner culture inherited from the earlier regime. On the other hand, the decline in housing assistance, the abandonment of the family wage, increasing levels of individual responsibility for welfare provision by both men and women (for example, in the area of pensions), and the promotion of high levels of part-time and casual employment all indicated an institutional acceptance of significant levels of female employment.

The traditional areas of welfare state provision were cut back and an increasing emphasis placed on individual and family responsibility for the provision of welfare in health, income assistance, housing, and education. Closer targeting, and the increasing dependence of lower-income households on means-tested assistance over and above the income from employment, contributed to the emergence of new patterns of labour market fragmentation. This was evident in the sizeable section of the workforce unable to earn enough from employment to survive without state income support. Along with this was policy recognition, in the "family support" payments, that not all families could expect to receive a sustainable income from the labour market. The new phenomenon of the working poor, evident also in the marked growth in the practice of multiple job holding, was therefore a marked difference from the security of workers guaranteed in the incomes-based assistance of the wage earner cum social expenditure regime.

4

BRIDGING THE MACRO AND MICRO

In the two previous chapters, the analysis of literature on the welfare state and labour market in New Zealand provided the basis for outlining two distinctive historical welfare and labour regimes. Outcomes in the labour market were interpreted in terms of their linkage with the defining institution of the welfare state. On the face of it, each regime was characterised by distinctive institutional arrangements and labour market outcomes.

In this chapter, the conclusions drawn from Chapters 2 and 3 are considered in terms of their potential to illuminate how the nexus between households and work has been altered by the transition to a liberal regime. The chapter begins by discussing the implications of each regime for household labour market activity and experience. Certain questions remain, however, about developments in the nexus between households and work. These questions are outlined and the household work history method is introduced as a means of obtaining answers. Several themes emerge from the macro-level review by which a comparison of the nexus between households and work can be made: the impact of cultural and normative factors; the potential for labour market mobility; the treatment of unemployment; the guarantee of labour market security; and the impact of the level of welfare selectivism. These are introduced in terms of their relevance at the household level in order to provide a framework for the micro-level analysis. This chapter therefore provides a bridge between the macro-level review and the qualitative

life and work history analysis that follows.

THE NEXUS BETWEEN HOUSEHOLDS AND WORK

The first step in this chapter involves considering what the macro-level review contributes to answering the research question. That is, what does the analysis of the two welfare and labour regimes reveal about change in the connection between households and work?

Public policy in the wage earner cum social expenditure welfare regime was designed to achieve a high level of stability in employment. A commitment to full employment was institutionalised in specific employment legislation and was achieved within the context of measures for the protection and stimulation of export industries, and through the use of expansionist measures that were designed to enhance the organisation and development of domestic industry. Full employment was also promoted by a growing public sector which provided jobs in the burgeoning areas of health, education, welfare administration, and public works and services. For households, though, this effectively meant full male employment. The evidence suggests that female dominated industries tended to be excluded from the protectionist policies.

Historically high standards of living were achieved through the "family wage", set by the arbitration system, institutionalising men in both the labour market and the household as breadwinners. Women, on the other hand, tended to be excluded from full-time participation in the labour market to become either economically dependent or secondary earners within the household. The male wage rates were seen as containing a "social factor" necessary to support a family (Davidson 1989:265). Men, therefore, had access to high levels of employment, improving conditions, and rising real wages. Women and children obtained their living mainly as dependants. The equitable distribution of income for the mutual well-being of all within the household was assumed and those households with a male breadwinner in a full-time job were seen to enjoy the benefits of income

security and stability.

With full employment and the guarantee of a minimum family wage, male breadwinner households did not require income support, except in their retirement years. Unemployment was largely frictional and while benefits were available for those who registered as jobless, the prospect of finding another job meant that there was little need to register and receive the benefit. Income support was predicated on the assumption of a male breadwinner household. Eligibility criteria for assistance towards women outside of that household type both reflected and reinforced the male breadwinner pattern of labour supply, assuming the non-employment status of women and discouraging their labour market participation (Rudd 1993:240).

By contrast, the nexus between households and work in the post-1984 liberal welfare regime appears not to be defined by public policy strategies developed for adult males. Full employment, rising real incomes, and growth in the service sectors opened the way for growth in female employment. Women began to enter paid employment in increasing numbers, particularly married women, during the 1960s and 1970s - female labour force participation rising from 25 per cent in 1951 to 45.2 per cent in the mid-1980s (Department of Statistics 1993a:97). As women gained access to economic independence outside of the male breadwinner household, through paid employment and through the domestic purposes benefit in 1973, the nuclear family became less dominant. The number of single parent families grew rapidly after 1976, and by 1991 made up a quarter of all families (Lovell and Dayal 1994:16). Increasing numbers of married women entering paid employment resulted in a rise in the proportion of families with both parents in the workforce. By 1991, couple families with both parents working full-time outnumbered those of the sole male breadwinner model (NZOYB 1994:103). Women, however, were more likely to be part-time paid workers, particularly through their child-bearing and child-rearing years in their 30s and 40s - leaving full-time work in the mid to late-20s and returning in their late 30s and 40s (Department of Statistics 1989:21). While these changes were occurring in the pattern of female labour force participation, there was continuity in the propensity for men to be in full-time work between age 20 and age 60. The primary change in the pattern of male labour force participation centred

around the increasing incidence of unemployment.

With the decline of the sole male breadwinner household, the welfare institutions that were predicated on such a model appear to have been superseded by non-gendered forms of state social protection. The basis for such a claim can centre on the demise of the statutorily-sponsored minimum family wage paid to male workers, and its replacement by a system of topping up poorly paid families through non-gendered "family support" rebates or payments. With the demise of the centralised wage fixing system, and the use of the market to determine income from work, it would appear that neither men nor women were favoured as breadwinners within the liberal regime. While strong gender-based pay differentials persisted, the trend was for the income gap between men and women to decrease from 50 per cent in the 1950s and 1960s to be 26 per cent of those of males in 1991 (Department of Statistics 1993a:129).

When unemployment rates increased sharply from the mid-1980s as a consequence of the monetarist approach to economic management and the large scale restructuring that occurred from the liberalisation of the economy and reform of the public sector, the previous assurance of access to full-time jobs was severely undermined. The effect of rising unemployment can be seen in alterations to trends in both male and female employment. The overall trend of increasing female labour force participation stalled and began to decline between 1986 and 1991. While the general trend was of slightly declining female labour force participation, the labour force participation of women in their late 20s and in their 40s and 50s continued to rise. Women's part-time employment rate continued to climb through the 1980s and into the 1990s, but by 1991, two-thirds of all women in their 40s were in the full-time labour force. Mothers in two-parent families increased their participation in both part-time and full-time work between the census of 1981 and 1991, pointing to new income demands on families through those life-cycle stages (Department of Statistics 1993a:98-100).

The gradual decline in male labour force participation from the mid-1960s accelerated sharply between 1986 and 1991 (Department of Statistics 1993a:95,97). For many males, the notion of the 40 hours per week job for 40 years was no longer tenable as the new

labour market flexibility exposed many to the employment consequences of business restructuring and redundancies. An increasing number of households had members out of work and for most of these, with few immediate re-employment opportunities, registering as unemployed and receiving the benefit became the only option for household survival.

These processes were facilitated by the removal of many of the statutory regulations designed to ensure worker protection in the previous regime. For workers, accessibility to paid employment declined along with security of tenure once in a job. The historical patterns of segmentation, which had been mitigated somewhat by the effects of full employment and the blanket coverage awards, became more apparent as a result of the disruptions in the labour market from the mid-1980s. Semi-skilled and casual workers, and marginalised groups such as women, Maori and Pacific Island Polynesians were the most vulnerable groups to the loss of protection and became entrenched in their disadvantaged position. The picture that is portrayed is of an increasing disparity between the good jobs of those employed in primary labour market segments and the bad jobs of the secondary and peripheral segments (Easton 1991). Wages and conditions were forced down in the latter segments and opportunities for mobility were restricted (Hammond and Harbridge 1993).

The ethos in the liberal regime was one of rigorous selectivism with households required, through closer targeting of benefits or higher user-pays rates, to provide more of their own welfare. Families became more responsible for the support of their unemployed youth members, were means-tested for tertiary student allowances, paid a higher surcharge if claiming the state pension, and faced higher charges for use of state housing and health care. The macro-level review does not illuminate the linkage between this selectivism and household labour supply, but it could be inferred that households became increasingly dependent on two incomes to sustain costs. The government preference for the delivery of social services through private and voluntary based systems has also been linked to a revitalisation of the trend of women finding themselves with the role of the voluntary or community-based social assistance provider (see Bunkle and Lynch 1992).

WHAT DOES THIS CONTRIBUTE TO ANSWERING THE RESEARCH QUESTION?

The macro review does go some way towards illuminating how the nexus between households and work has been altered by the transition to a liberal welfare regime. Findings indicate that the male breadwinner can no longer be assumed to be the source of household income. The demise of the family wage, trends towards equal pay, higher female labour force participation rates, rising unemployment and the use of the market as the key means of income setting, are all features which suggest a significant reconfiguration of male breadwinner household roles as compared with those institutionalised in the wage earner regime. It suggests that the nexus between households and work no longer revolves around the 40 hour per week job of the sole male earner. The greater level of labour market stratification has meant that those households in peripheral labour market segments have had fewer opportunities for mobility than in the full employment regime. And with a trend away from universalism, households have also had to bear greater costs of social services.

By and large, though, the macro-level review does not say anything about how the processes involved in the entry to, experience in and exit from the labour market have changed. Recent reviews of labour market statistics (Rose 1993; Shirley et al, forthcoming) note that most of the relevant research on labour market trends is confined to macro-economic analysis derived from what is acknowledged to be a limited data base, primarily the Household Labour Force Survey. This type of data does not explain how households interact with the labour market at the micro-level.

One of the limitations is that the definition of "work" in the data collected in the Census and Household Labour Force Survey tends to exclude domestic activity (cf Rose and Brown 1993; Waring 1996:101). The feminist response has been to emphasise the poverty of these tools as effective measures of economic activity (Waring 1988). Feminist research has succeeded in problematising the notion of work itself, drawing attention to the dichotomies between paid work in the labour market and unpaid domestic work. Feminists have emphasised the interdependence of paid and unpaid work.

They have "reconceptualised the household as an arena of non-market work and social caring, an arena of women's labour that contributed both to the well-being of family members and to the well-being of the nation" (Cass 1985, in McKinlay 1992:73). Furthermore, the critique of the notion of the family wage has emphasised the role of the state in maintaining gender-based inequities (see for example, Saville-Smith 1987; Briar 1992; McKinlay 1992; Du Plessis 1993; and Rudd 1993:238-241).

Shipley's (1982) study of women's employment and unemployment was one attempt to study the nature and effects of female unemployment with work histories using the household as the unit of study. Her concern was with the inter-relationship between women's paid work in the labour market and their unpaid domestic work roles. She found that much of women's joblessness was concealed, and she was able to argue that the labour market was indeed segmented and that women had a propensity to be located in secondary segments. Her research provides a useful historical reference point for this study of Palmerston North households, but her focus was restricted to women and their experience of unemployment.

The recent attempt to analyse the transformations between families and paid work by Saville-Smith et al (1994) tended to be limited to the use of macro-level data.¹ They were concerned with familial change in New Zealand over the 1980s and the impact of increased market dependency or "marketisation". They defined their objectives as being the study of the complex dynamic between "the State, the market and the family" (Saville-Smith et al 1994:1), and so were concerned with themes similar to those covered in this research. They noted the increasing dependence of families on wage labour, a decline in self-provisioning from domestic work and a certain decline in role differentiation as both men and women are drawn into the market (Saville-Smith et al 1994:29-35). While these conclusions appear to be valid, they tend to be based on the use of aggregated labour market data and therefore fail to offer insights into the changing interaction between households and the labour market at the micro-level.

¹ They do use verbatim quotes from Parliamentary debates to highlight the attitudinal changes of Parliamentarians to the issue of increasing wage dependency, the declining level of self-provisioning and changes in role differentiation in households.

For example, the increasing dependence of families on wage labour is explained using aggregate statistics showing an "increase in the proportion of the adult population involved in, or seeking, waged or salaried work" (Saville-Smith et al 1994:30). The analysis does not and cannot indicate the contingencies that have led to the requirement for families to provide extra wage labour, the internal processes in families which define how extra wage labour is provided, or the employment position and experience of those family members who actually provide the extra wage labour. Furthermore, the discussion of how trends towards the marketisation of family life has affected the ability of families to achieve well-being from employment is limited to: i) reporting unemployment trends and the higher incidence of unemployment among Maori, Pacific Island Polynesian workers and youth; ii) listing trends in the labour force participation rates of men and women; and iii) noting the increasing proportion of children with mothers working and with "fathers working part-time, unemployed or not in the labour force" (Saville-Smith et al 1994:103-104).

Another example of attempts to examine and explain the link between the household and the labour market using available aggregate data is the New Zealand Planning Council's series "From Birth to Death" (Social Monitoring Group 1985, 1989), a series continued by Davey (1993). In a broad analysis of social trends in New Zealand, these studies include reference to the changing relationship between households and work using Census data. The 1993 report is based on the analysis of the 1981, 1986 and 1991 Censuses and includes an overview of macro-trends in paid and unpaid work of those in private dwellings. The analysis is organised around a life-cycle framework and so does allow comparison of similar cohorts at different historical periods. The broad scope of the study, however, does not provide focused detail on the way in which the nexus between households and work has changed in the transition to a liberal welfare regime.

Questions remain over the following issues:

- * The picture that is portrayed at the macro-level is, on the one hand, of increasing female paid employment and, on the other, the decline in the 40 hour per week sole male earner household. The demise of the male breadwinner household is implied, yet the general rise in female labour force participation has stalled since

1986. It appears that women have been facing contradictory pressures to earn more, as closer targeting of services and benefits has been instituted, and at the same time they are being left to shoulder a greater portion of community-based voluntary social service delivery. The available (primarily aggregate) data do not indicate what this actually means in terms of changes within households over time. The question remains: how has the distribution of work both inside and outside the household been affected by the transition to a liberal welfare regime? And, how (if at all) have the attitudes and beliefs about male and female roles changed?

- * The data do not illuminate changes in the individual experience of unemployment and changes in household responses to it. For example, research shows that unemployment does disrupt relationships within the household (Shirley et al 1990:142), in particular, traditional roles and identities (cf McLaughlin et al 1989; Morris 1990). What, therefore, have been the characteristic household labour supply responses to unemployment in the transition to a liberal regime? How has the rising incidence of unemployment affected the distribution of work both inside and outside the household? Has it involved a re-negotiation of the domestic division of labour?
- * There is little direct data on changes in mobility in the work place, the historically variable potential to change jobs once in them, and the process by which some people become entrapped in lower labour market segments. What have historical patterns of labour market segmentation meant for households? Are workers now finding themselves entrapped in a more segmented labour market as compared with workers who had the opportunity for mobility in the mid-century, and if so, what are the processes by which this has occurred?
- * With less statutory regulation in the labour market under the liberal regime, workers have faced rising levels of employment insecurity. How has the impact of the individualisation of the employment relationship affected workers? What has been the effect of the greater marketisation of employment relations and how have households responded to it?
- * Questions also remain about the employment outcomes of the new pressure on households to meet higher levels of their own welfare provisions. How have

households responded to the need to provide a greater level of their own welfare in the areas of housing, health and pensions? What has been the effect of the closer targeting of welfare assistance on the need for households to earn, and how have these changes affected the distribution of work inside and outside the household?

The study of life and work histories does offer the potential to obtain much of the data required to answer the questions raised above. In Chapter 1 the need to recognise the impact of the social and institutional environment when explaining labour market outcomes was established. In bridging the macro- and micro-levels, the concern is to trace how the impact of social and institutional structures are manifested and lived out in the actual lives of people. The strength of the life and work history method is that it has the capacity to capture the important way this occurs. That is, it can capture how the history of individuals' lives coincides with the history of the social and institutional structures at distinctive historical epochs. The way these factors, and changes over time, impinge on the working lives and experiences of individuals and their households can be recorded through their dated, personal histories. The effects of institutional and structural change on the nexus between households and work can therefore be examined through the use of life and work history data.

BRIDGING THE MACRO AND MICRO

The institutional perspective emphasises the need to explain labour market outcomes within their institutional context. As outlined in Chapter 1, it provides for a broadly-based analysis that allows linkages to be drawn between welfare regimes and labour markets. These linkages can be discerned at the macro-level and can be used to provide the basis for approaching the analysis of changes in the nexus between households and work at the micro-level. What follows is an introduction to these linkages in terms of their implications for patterns of household labour supply activity and experience.

Culture

Changes in the nexus between households and work need to be considered in terms of the cultural basis for labour supply. The term culture, in this context, refers to those taken-for-granted roles, identities and normative practices that influence labour supply activity within households. It is used in reference to the accepted roles for men and women in the household and the workforce. Cultural and normative influences are evident in the close historical inter-relationship between the male breadwinner pattern of household labour supply and the wage earners' welfare state.

On the face of it, this view is also shared by apologists of the liberal welfare regime whose rhetoric for the welfare state rearrangements after 1984 has included lamentations about the demise of the nuclear family and of the work ethic (see Kelsey 1995:322-335 for a summary of these). Their catchcry argument implied that the policies of the wage earner cum social expenditure welfare regime had undermined an earlier productive working culture that was characterised by strong worker initiative, self-reliance and family values. Welfare policies, perceived as being overgenerous, are alleged to have created a culture of dependency. The liberal policy response has been based around the imposition of punitive economic incentives to increase the economic interdependency of family members and to remove alleged disincentives to hard work. Statements by a leading protagonist of these initiatives imply, for example, that the rationale for the benefit cuts in 1990 and 1991 was the re-imposition of the male breadwinner culture with its work arrangements and attitudes within households. The Minister of Finance, Ruth Richardson, in defending the benefit cuts asserted (St John 1994:94):

It is not some crude exercise in saving cash. It's about saving a culture. It's about self-reliance, it's about the sort of country we will become and are condemned to if we remain plugged into an all-pervasive state which has corroded initiative, self-help and a sense of family values.

While these assumptions are open to serious question, the point is that proponents of the liberal welfare regime do hold a view that cultural factors influence labour supply activity.

The view of cultural influences on labour supply activity that is adopted in this research, however, differs from the perspective that Richardson illustrates. Richardson's view of

culture is limited to the normal pattern of actions by people as structured simply by economic incentives. The attempt to shape those actions through the "reform" of the welfare state that she refers to has relied on the manipulation of benefit levels based on economic rationalist assumptions about the disincentive effects of welfare assistance. For Richardson, then, the labour market activity of members of households is explained ultimately as having its basis in economically rational motivations. In extreme versions of the perspective, all labour market and other social activity, both within and external to the household, is explained in terms of the individual's rational pursuit of economic gain. ²

The view adopted in this research draws on an institutional perspective which gives greater importance to social and political institutions in determining labour market activity (Schmidt 1993:186). The potential for different institutional configurations and differing cultural outcomes is characterised within the notion of welfare regimes. The approach that is adopted here is that the cultural bases of labour market activity are not simply rooted in economics, but have social and historical antecedents which exert an influence on labour market activity in their own right. The cultural basis can be identified by examining characteristic patterns of labour supply within households. As well as illuminating the influence of welfare regimes, an examination of cultural developments in the nexus between households and work will provide a perspective from which to assess the verity of reductionist economic explanations.

The influence of cultural norms, of course, extends beyond households to the labour

² The resurgence of neoclassical arguments has been extended to explaining human activity and interactions within households. Friedland and Robertson (1990:18) note the work of Becker (1981) as illustrative of this argument:

The economic approach ... now assumes that individuals maximise their utility from their basic preferences that do not change rapidly over time and that the behaviour of different individuals is coordinated by explicit and implicit markets.... [T]he economic approach is not restricted to material goods and wants or to markets with monetary transactions, and conceptually does not distinguish between major and minor decisions or between "emotional" and other decisions. Indeed, ... the economic approach provides a framework applicable to all human behaviour - to all types of decisions and to persons from all walks of life.

Here the explanatory scope of the economic is extended into "all human behaviour" including the home and family relationships.

demand context where the capacity for both men and women to fulfil their culturally defined roles is linked to the nature and type of jobs that are available. Walby (1991:167-169) refers to debates about the relative influence of the household versus the labour demand context on the labour market activity and experience of women. Work history data, though, is more suited to answering questions about the influence of family structures as opposed to labour market structures. The focus on culture, therefore, will allow for the comparison of cultural outcomes across the two welfare regimes (the wage earner cum social expenditure regime and the liberal welfare regime) by analysing the normative labour supply practices of the selected households.

Mobility

The macro review reported historically variable patterns of labour market stratification. Brosnan and Wilson (1989) have outlined the historical structuring of the New Zealand labour market, emphasising the location of women, Maori and Pacific Island Polynesians in distinct segments of the workplace. Easton's (1991) analysis argued that the lines of demarcation across segments were moderated by full employment and the industrial award system of the wage earner welfare regime. He also maintained that the transition to a liberal welfare regime resulted in a new accentuation in the lines of labour market segmentation (see also Walsh 1992:75).

The issue of labour market segmentation in the welfare and labour regimes can be explored by an analysis of the opportunities for mobility in the workplace. Changes in the nexus between households and work will therefore be considered in terms of the different opportunities for mobility - the potential to 'get on' - in each regime. Opportunities for mobility are linked to skill development by which labour becomes suitable for supply. Changing patterns of access to education and training and the associated labour market mobility will therefore be examined at the micro-level.

Unemployment

The macro view indicated the existence of distinctive 'unemployment regimes', characterised by divergent policy mechanisms to reach varying employment goals. The policy response to unemployment in the liberal welfare regime was characterised by

assumptions that it was largely an individual problem. High levels of unemployment were seen to be an outcome of overgenerous benefit provisions and market distorting regulations. The difference between historical regimes is captured, to some extent, in the 1990-1993 Minister of Social Welfare's response to the 1972 Royal Commission on Social Security's position, that the welfare state should ensure a level and type of assistance which promotes "participation and belonging" in society. The Minister, Jenny Shipley,³ commented:

[The] findings have come to mean ... that New Zealanders are entitled to participate in society regardless of whether they're on welfare or in work. The problem with that... is that ... people have come to believe they have a choice between work or alternative forms of lifestyle on welfare. That's not what the welfare state is".

The Minister's comments mirrored the view that for many of those out of work, unemployment was a voluntary lifestyle choice, encouraged by over-generous benefits. Furthermore, the influential position taken by Myers (1990a:7),⁴ mirroring neoclassical assumptions, was that labour "restrictions", such as minimum wages, ultimately caused unemployment by raising production costs and undermining business profitability and re-investment.

The effects of the historically variable treatment of unemployment will be observed at the household level. The work histories will provide the basis for the consideration of the nature of the unemployment experience in each regime and the analysis of subsequent labour supply opportunities. They provide a complementary perspective to macro-level records of low rates of unemployment in the 1960s and their dramatic rise from the mid-1980s by producing detail of the actual experience of paid workers and the compensatory activity of other household members. The premise is that household labour supply responses mirror both the restrictions and the opportunities made available by the institutional and cultural features of each welfare regime.

³ In *North and South*, June 1991.

⁴ Of the New Zealand Business Roundtable.

Security

The macro review noted state's historical role in the regulation of bargaining and representation in labour relations. The initial intention of that activity was to provide, through the system of arbitration and conciliation, protection and income security for (mainly male) workers. The principle that the state had a regulatory role in labour relations remained embodied in the labour relations system up until 1991. It was, however, identified by the National Government of 1990 as the prime obstacle to the type of labour market flexibility that was required to achieve economic growth. The Minister of Labour, Bill Birch, (in Walsh 1992:63) had argued that:

Workers and employers alike are being inhibited by laws, regulations and restrictions. These restrictions frustrate agreements being reached on more flexible working hours, and terms and conditions of employment to best suit individual workplace, enterprise or industry circumstances.

It was from this type of analysis that labour relations in the liberal regime emerged. Defined, ultimately, by the Employment Contracts legislation, labour relations in the liberal regime have left workers without the laws, regulations and protections they had previously enjoyed. The outcome, according to industrial relations commentators, was that individuals and small groups of workers became more isolated and vulnerable to exploitation (Walsh 1992:75).

Changes in the nexus between households and work will be observed by analysing trends in labour market security. A range of factors contribute to labour market security. Security can be afforded through statutorily defined minimum conditions and award wage rates and by the decommodifying activities of the welfare state (Esping-Andersen 1990). In the review of trends in the labour market security of the respondent households, three dimensions of security identified by Rodgers (1989:3) will be used - namely risk of job loss, opportunity for input into terms and conditions and protection from adversity. Variation across regimes in achieving security for workers will be traced through the work histories by an analysis of the levels of certainty of tenure, input into jobs and protection that individual workers reported.

Welfare selectivism

In Chapter 2 the 'demand' stimulation effects of state housing initiatives after 1935 in New Zealand, particularly in the male dominated industries of forestry and building, were noted. Over this period, much of the employment growth occurred in state trading activities and in a highly protected manufacturing sector (Deeks et al 1994:396). Similarly, the growth in health care services and in the administrative activities of the welfare state through the 1950s to the 1970s provided an increasing labour market for women (Oliver 1977:11). The linkage between these core areas of welfare policy can also be observed at the household level by observing how changes in housing, health and pensions policies are linked to changes in labour 'supply' activity. Changes in the nexus between households and work will therefore be considered in terms of the effects of variable levels of welfare selectivism. A core theme of the Government publication "Social Assistance: Welfare That Works" in 1991 was the move away from universalism (Shipley 1991):

A major element in the new policies is a reduction in the use of a universal system where everyone, regardless of income, is entitled to the same level of state assistance in retirement, health, education and other social services - and an increase in the use of a targeted system where incomes are assessed and individual and family assistance is based upon that assessment.

The trend towards closer targeting and higher user-pays charges in the liberal regime has had measurable cost-effects on households and will be observed in terms of household labour supply responses.

Housing, health and pensions have varying relevance to households through the life course. The level and nature of welfare state provision in each area interacts with factors of household composition, life-cycle stage, normative framework, and income necessity to influence the way household labour is supplied. Variations in accepted notions of whether claimants are deserving and eligible will be observed in terms of their effects on household labour market participation patterns.

SUMMARY

The objective of this chapter has been to provide a bridge between the macro and micro perspectives that have been adopted in this research. The broad trends identified at the macro-level were considered in terms of their implications for the nexus between households and work. As Rose's (1993) review of labour market statistics in New Zealand concluded, aggregated macro-level data has limitations in explaining how households interact with the labour market at the micro-level and new research is required on "linkages between the household economy and the formal economy" (Rose and Brown 1993:157).

Research on linkages between the household and formal economy needs to be conducted with due attention given to the institutional framework, as argued in Chapter 1 - in this instance in the context of the transition to the liberal welfare regime. Furthermore, the institutional perspective allows linkages drawn between welfare regimes and labour markets at the macro-level to be transposed to the micro-level for further examination. In so doing, it allows the examination of questions over: developments in traditional labour supply roles and identities; processes in labour market stratification; household responses to unemployment; the experience of alleged declining labour market security; and household labour supply responses to closer targeting and higher user-pays charges. The household life and work history approach has been employed to explore these, the data from which will be organised according to the aforementioned themes. The following chapter introduces steps taken in the collection of the data and introduces the households that were selected.

5

THE MICRO VIEW: THE METHOD AND INTRODUCTION TO HOUSEHOLDS

The micro-level aspect of the analysis of changes in the nexus between households and work involved the collection of life and work history data. The life and work history method is recommended as ideal for such an analysis, particularly in relation to the study of the effects of social policies on labour market experiences and behaviour (Dex 1991:13). The type of data the method produces has the potential to capture the important way the history of individuals' lives coincide with historically variable welfare regimes. The outcomes of institutions and of the timing and nature of institutional change can be examined through such data. It therefore provides a means by which the broad and somewhat static view imposed by a macro perspective can be refined down to the fine grained detail at the micro-level. Conclusions reached at the macro-level can therefore be evaluated and enhanced by work history data, by the furnishing of detail on the factors involved in decisions on entry to and exit from the labour market.

THE HOUSEHOLD AS THE UNIT OF STUDY

The processes and outcomes of labour supply decisions take place within the context of family and household relationships. As Gallie (1988:16) notes, labour supply and decisions about paid work are influenced by "the structure of the household and by its characteristic pattern of internal relations". The household has therefore been selected as the unit of study. People tend to participate in the labour market, not as isolated individual decision makers, but according to their role and status as members of households. For example, the employment activity of individuals can be linked to the life-cycle stage and position in the household, to attitudes and beliefs about male and female roles, to whether other household members are employed or unemployed, to the size of the household, and/or to the types of jobs that other household members have. The primary advantage of the household perspective, though, is the potential it has for avoiding tendencies of gender-blind analyses. As noted in the previous chapter, questions remain around how changes in the welfare regime have interacted with the way men and women organise their domestic and paid working lives (Morris 1990:1). Furthermore, the household perspective has the potential to illuminate trends in the labour market, such as unemployment or changes in labour market security, in terms of their effects on, in most instances, all of those dependent on wages earned.

The household as the unit of study, then, will allow for an exploration of the way the policy environment contributes to the establishment of the household-labour market link, and the way that it changes according to different policy environments. Differences in the normative expectations and economic imperatives of labour supply activity over time will be able to be traced alongside the differences in policy environments.

THE SAMPLE: ISSUES AND CRITERIA

Selecting the household as the unit of study presented a range of methodological issues. Dex (1991:4), for example, notes that "the overlap between family members' experiences is conceptually difficult to handle and to describe, and researchers are only beginning to tackle these sorts of overlaps". The first question to be considered is, what is the household? The composition and configuration of the household cannot be taken as given and needs to be specified. According to Morris (1990:2):

It is both possible and advisable to differentiate between, on the one hand, types of household composition and patterns of residence, and on the other, nuclear and extended family relations from which no residential pattern necessarily follows.

Households can be categorised according to their composition, income level, the employment status of the main earner, age group of the main earner, number of members, ethnicity, number of parents, and whether or not they are "reconstituted". Each of these factors will have an impact on labour supply activity. In this project, one type of household was selected to keep the study focused and the number of variables to be considered in the analysis of the data at a manageable level. Keeping the sample to one main type of household allowed for a more focused comparison to be made of that type of household between policy regimes.

It follows that there are a range of types and life-cycle stages in households. Of concern in this research was the selection of a household type that would best illustrate how welfare regimes might have different effects on labour market activity and experience.

Household Configuration

The first criterion for inclusion was household configuration. The households selected were those which take (or have taken until the children left) the form of the stereotypic nuclear family - that is, parent figures in some type of marital arrangement with children. Households where the parents were over the age of 50 were less likely to still have their children living with them.

There were several reasons for selecting this household type. First, an analysis of labour supply trends would allow assessments of developments in the male breadwinner pattern of household organisation. Second, the underlying research objective of examining the influence of different institutional configurations (or welfare regimes) on labour market activity did not require the focus to be on marginalised household types, such as unemployed or single parent households. By choosing the, typically perceived, stable stereotypic nuclear family, any trends towards increasing labour market vulnerability that were detected would be suggestive of broader general trends. Third, selecting one household type would simplify the analysis of the work history data by eliminating household configuration (such as the relative impact of multiple family households, single parent family households, non-family households and single person households) as an extra variable when comparing welfare and labour market regimes.

Life-Cycle Stage

The second main criterion for inclusion in the sample frame was life-cycle stage. A comparison of the nexus between households and work across historical periods using work history data from a single cohort group would not accommodate the variation in household employment patterns caused by changing needs and opportunities through the life course. Two cohort groups were therefore selected to provide a 10 to 20 year span. This was designed to allow the retrospective experiences of households, at similar stages in the life-cycle, to be compared at different historical points. The sample was to comprise households at two stages in the life-cycle: those where the parents were in the 50 to 60 years of age group; and those where they were in the 30 to 40 years of age group. By selecting these two groups, comparison could be drawn between the labour supply strategies of households at similar life-cycle stages (for example, marriage and childbirth) at different historical periods. It would allow coverage of the different household welfare needs and labour market opportunities in each of the regimes.

TABLE 5.1:
HISTORICAL PERIOD BY LIFE STAGE:
THE AGE RANGE OF FAMILIES IN THE
TWO SELECTED COHORTS AT GIVEN POINTS IN TIME

	30-40 YEARS OF AGE COHORT	50-60 YEARS OF AGE COHORT
1994	30-40	50-60
1984	20-30	40-50
1974	10-20	30-40
1964	—	20-30
1954	—	10-20

The effects of selecting the sample in this way are illustrated in Table 5.1 which shows how the range in ages provides a view of the same life-cycle stage at the different historical periods that are relevant for the study. For example, data from households which are currently in their thirties (left hand column, top) may be compared with that from households which were facing the same life-cycle stage in the mid-1970s.

Level of Income and Employment Status

The third criterion for inclusion in the sampling frame concerned income level and employment status. Low and middle income households, in which the main earner(s) were wage and salary earners, were selected. Tracing the work histories of higher income households would have been less likely to provide the type of data sought. Since the mid-1980s, lower-to-middle income households have clearly been affected most by the policy reforms and the new levels of economic vulnerability (Waldegrave and Frater 1991). The precise level of total annual income at which high income households were excluded was set at \$45,000. This was the median income for two parent families at the 1991 Census (Lovell and Dayal 1994:19).

Ethnic Group Membership

The ethnic group membership of households posed another sample selection question. It is well established that Maori and Pacific Island households are significantly disadvantaged in the labour market (Department of Statistics 1993a; Mare 1995). However, in recognition of the numerous difficulties confronting cross-cultural research, the nature of the qualifications required,¹ and in order to keep the number of variables under study manageable, the sample was limited to Pakeha households. Pakeha households were defined as comprising those in which both parents identified themselves as Pakeha.

"Reconstituted" Household Issues

The household as the unit of study across time poses particular questions when the issue of household break-up and reconstitution is considered. Walby (1991:173), for example, states that "longitudinal analysis of employment taking the household as a unit would be bedeviled with methodological difficulties". The reasons she cites include simple issues such as marriage and death and high rates of divorce - what she refers to as "the alternate dissolution and extension of the unit under study". The chief methodological problem arising from "the alternate dissolution and extension" of households would be the shortened "household" history which did not cover the historical periods under study. Households reconstituted after 1965 were therefore excluded from the sample.

Summary of Sampling Frame Characteristics

To sum up, the households selected were limited to those where: there were parent figures and children; there was continuity in the composition of the household from the mid-1960s; both parents identified as Pakeha; the main earner(s) were in the 30-40 and 50-60 years of age bracket; and the household was in the low-to-middle income wage and salary bracket.

¹ See Stokes (1985) and Te Awekotuku (1991) for a discussion of these.

The final sample frame, therefore, practically represented the stereotypic New Zealand nuclear family. This served the aim of allowing an examination of the labour market activity of what can be defined as non-marginalised groups. It also served the practical goal of maintaining the manageability of the study. It was accepted that this placed distinct limitations on the generalisability of any findings, given the declining prevalence of the stereotypic nuclear family. As it is, the small size of the sample does not provide grounds on which to make generalisations and this has not been an aim of the methodology. Rather, the aim has been to illuminate and expand on patterns indicated by the macro-level review of changes in the nexus between households and work in the transition to a liberal welfare regime.

SAMPLE SELECTION

The sample was drawn from households within Palmerston North City. At the 1991 Census the population of Palmerston North City was 69,414. There were 23,808 occupied permanent private dwellings in the city and two-thirds of these contained two to four people (Hilson, 1993:1-2). There was a lower proportion of Maori in the city than in the country as a whole, with more than four-fifths of the population being Pakeha. The full-time labour force comprised less than half of the adult population, and one citizen in eight worked part-time. Nearly two out of three people in full-time employment were men and one out of four men were in part-time work. Three-quarters of those in the workforce worked for wages or a salary. A higher proportion of people in the city worked in the service sector and there were lower proportions in every other occupational category than in New Zealand as a whole.

A Palmerston North City Council social report provided data on the average household income of separate area units within the City.² It was used to identify those suburbs most likely to yield households which met the criteria of total income below \$45,000. Two

² This was an "in-house" report and will not be cited.

area units identified as having lower average household incomes were selected to provide the sample.³

A household classificatory interview schedule was used in a preliminary survey to identify those households with the relevant sampling frame characteristics (see Appendix 1). Houses in the preliminary survey were selected using the "right hand rule" method. The rule involved, first, the random selection of a house within the selected area units. Every fifth address in the adjoining streets from the randomly selected house was subsequently approached to be included in the initial classificatory survey. The method specified that if there was no response from the householders after several visits, the house immediately on the right was to be selected.

The first contact with households was made through the completion of the Household Classificatory Interview Schedule (see Appendix 1). The schedule consisted of eight self-completion questions by which the householder identified the household's characteristics and indicated a preliminary interest in participating further in the research. Over a period of three weeks, 321 households were approached. In 95 of these (29.6 per cent) there was no one home, that is, no householders responded. Of the remaining 226 households, 187 (82.7 per cent) agreed to complete the Classificatory Interview Schedule. At this point, 25 of these (13.4 per cent) did not consent to a further interview. Of these 25 non-consenting households, eight met all of the sampling frame criteria.

Fifty-three households (28.3 per cent) which did complete the Classificatory Survey were occupied by retired householders over the age of 60, and 11 were occupied by householders under the age of 30 (5.9 per cent). These were excluded as they did not fit the life-cycle stage brackets. A further 57 households (30.5 per cent) were excluded on the grounds that they did not meet the household configuration criteria of two parents with resident and/or non-resident children. These included sole parent households, extended family households, non-retired single adult households, and households with multiple unrelated occupants (such as student flats). All but two of 13 households with

³ These were the area units of Takaro and Awapuni.

non-Pakeha parental figures were included in this group. This is consistent with findings which indicate that a higher proportion of Maori and Pacific Island households do not conform to the stereotypic nuclear family (cf Lovell and Dayal 1994:16). Only two households were excluded solely on the grounds that they were non-Pakeha. Nineteen households (10.2 per cent of those which completed the Classificatory Survey) were excluded solely on the grounds that total income exceeded \$45,000. Two of the remaining households were excluded solely on the grounds that the primary earner was unemployed, and two were excluded as the primary earner was self-employed. Primary earners were those who brought the main income into the household and in each of these instances were males.

A total of 16 consenting households which met the sample frame criteria was left. Those households which identified themselves as within the sampling frame and which agreed to participate in the research were subsequently contacted with an Information Sheet outlining the nature and purpose of the research. They were also asked to sign a Consent Form by which they signalled their agreement to participate in the interviews (see Appendix 2). At this stage three households exercised their right to withdraw from the project. The primary reason given was the anticipated two hours that was required for the interviews. To compensate for these withdrawals and to provide a final sample of 14 households, one of the households mentioned above, where the primary earner was self-employed, was included in the final sample. Data from that household, however, was later excluded from the analysis as it was not readily compatible with the histories of the other households.

RESEARCH ETHICS

The research proposal was submitted to and approved by the Massey University Human Research Ethics Committee prior to the commencement of sample selection. The primary ethical concerns of access to research participants, informed consent, confidentiality, potential harm to participants, and arrangements for participants to receive information

were canvassed. Access to the participants for in-depth qualitative research was only possible on the basis of their informed consent. Informed consent was therefore an essential part of the respondent selection process. Potential respondent households were sent an information sheet (see Appendix 2) and, at a preliminary interview, any questions they had about the study were answered. Once they agreed to participate, both parents were given a consent form to sign (see Appendix 2). As the research required the open consent and willing participation of participants, it was in the researcher's interest to ensure that subjects were participating in both an informed and consenting way.

The primary ethical concern in the project was the guarantee of confidentiality to the households involved in the study. Care was taken to ensure the information could not be traced to the identity of the subjects. Participating households were coded, and information obtained in the course of the study, such as cassettes and interview schedules, were stored under those codes. Addresses and names were removed from that data prior to the presentation of the research findings. The names of respondents, of their employers, and of key locations were subsequently altered in order to ensure that the respondents' confidentiality was maintained. With the confidentiality guaranteed, it was not envisaged that there would be any potential harm to participants from the project. In fact, it was envisaged that the interviews would provide a positive review experience for the participants. Participants' right to withdraw from the research project at any time was respected.

THE RESEARCH INSTRUMENTS

The households' life and work histories were obtained in two steps. The first involved using a modified version of the inventories designed for the Social Change and Economic Life Initiative (SCELI) programme of research in Britain. The objectives of the SCELI research included study of "the character of and direction of change in worker experiences of employment and the labour market, [and] the changing dynamics of household relations" (Gallie, 1988:i). As such, they coincided, to some extent, with the

research objectives of this project. The SCEL I inventories were designed for the collection of life and work histories on a large scale. They were therefore modified to suit smaller scale objectives. The resulting Life and Work History Schedules (see Appendix 3) were designed for the systematic recording of key characteristics of the respondents' life and employment events. These schedules covered various aspects of respondents' family, residential, labour market and welfare history since leaving full-time education. As such they provided essential baseline data. The design of the schedules assisted in resolving the problem of recall by beginning with questions about the easiest information to remember from the life history before working towards the more difficult employment history data (see Dex, 1991:6).

The second step involved a more qualitative exploration of the key themes of the research. The objective of this stage of data gathering was to obtain the householders' own explanations of their labour supply actions, outlined in the Life and Work History Schedules. The aim was to elicit narrative accounts of respondents' employment experiences over time. These interviews, therefore, were audio-taped. Questions were developed to guide the semi-structured interviews around the themes, spelt out in Chapter 1, of:

- i) cultural facets of labour market activity;
- ii) trends in labour mobility;
- iii) the impact of unemployment;
- iv) labour market security; and
- v) the impact of trends in welfare selectivism (housing, health and pensions).

These particular study objectives meant that the SCEL I follow-up questionnaire was not applicable and a new set of questions was designed specifically for the purposes of the study.

The Pilot Interviews

The research questions were piloted in two interviews with one of the selected households. The pilot interviews were important in the development of the questions and led to several notable changes. The initial objective of the first pilot interview was to

complete the Life and Work History Schedules and to begin the semi-structured taped interview. It took significantly longer for the respondents to complete the Life and Work History Schedules than was anticipated - one and a half hours - following which they had little energy to continue the interview. The life and work history grids were therefore simplified and their format changed in order to enable more speedy completion. The number of years covered on one page of the Life History Schedule was increased from three to 10. A section which covered the birth, education, employment and departure of children was also simplified by removing questions that were not directly related to the study objectives. Questions which explored living arrangements, in terms of residence with parents' family, non-family households, alone or with own family, were removed as they were not concerned with the households' own work histories.

It became apparent that respondents would not accurately recall their level of pay at each of their job changes.⁴ Furthermore, the questionnaire did not accommodate the recording of pay rate changes within jobs. As it was, the participants were unlikely to be a reliable source for that type of data. The question was therefore changed to elicit an estimate which indicated whether the pay that was received on entering a new job was good, average or poor. The qualitative categorisation was expected to provide another indication of the direction of job changes - either towards superior or inferior conditions. A question exploring the degree of autonomy people had in their jobs was also dropped as it was not central to the research aims. The Work History Schedule was condensed to allow the recording of three jobs on one page.

Despite these simplifications, it was apparent that more time would need to be allowed for the respondents to complete the schedules. It was therefore decided to spend the first interview solely completing the Life and Work History Schedules. The task of the interviewer would be to keep the interviews simple and focused. It included stressing the need for respondents to briefly complete the schedules and to avoid discussing them in any depth until the second interview. It was important, though, that discussion between

⁴ Walby (1991:171) also noted problems with recall of income and excluded this data section from analysis.

partners was not stifled as the exchanges between householders did assist in the recall of life and work history events. It was decided to tape record the first interviews to capture these discussions.

Data on the life and work history schedules, and the tape recording of the first interview, were reviewed prior to the second interview. The review provided for refinements to be made to the list of key theme questions to facilitate a more focused discussion on the particular experience of the household being interviewed.

The life and work histories from the household that was interviewed as the pilot was subsequently included in the sample as, for the most part, the data provided was sound.

The Interviews

Interviews were carried out with 13 other households, in every case with both the husband and the wife. Interviews were conducted in the homes of the respondents. Householders were interviewed twice, and in one case where the respondents' work histories involved numerous changes, three times. The first interview lasted on average one to one and a half hours, and the second, two to two and a half hours.

It was decided to interview the husband and wife together. In this regard, McLaughlin et al (1989:30) discuss the interviewing possibilities:

... one partner only, both together or both separately. All of these have potential disadvantages. One partner probably could not provide all of the information wanted; both together might be inhibited about discussing certain topics; both separately might feel anxious or suspicious about what might be asked of the other.

After facing practical difficulties with their piloted method of a joint interview followed by a brief interview with each partner separately, they found it more convenient to interview husbands and wives together. In this research it was the most practical option given the length of time required for the interviews. And, as noted, it proved a useful measure by which participants assisted and corrected each other in the recall of the key data. In practice, though, it was not uncommon for one respondent to be left alone with

the interviewer for periods of up to 20 minutes while the other partner was engaged in other activities in the house. The temporary separation was linked to the length of time required for the interviews. In no cases, however, was it apparent that the quality of responses declined, and in two cases it provided an opportunity for women to speak more freely about matters of income.

The first interview involved the establishment of a certain degree of empathy or rapport with the respondents. The establishment of rapport was considered important simply to reduce the risk of respondents withdrawing from the project. In every case the respondents were 'on board' after the first interview. It was important to ensure this given the difficulty experienced in finding respondents and the widely reported difficulty in keeping respondents (see, for example, Glense and Peshkin 1992:33-35, 96-97). The primary task of the first interview was the completion of the life and work history schedules. These interviews were audio-taped as the discussion during the completion of the schedules often provided relevant information which helped explain the events recorded in the schedules. Respondents were asked to complete the schedules in the presence of the researcher who answered questions and offered clarification when required.

In the second interview, questions exploring the themes (see Appendix 3) were directed to the husband and wife together and separately, but within the presence of the other. These interviews were semi-structured, guided by the list of questions to ensure coverage of the themes under examination. The semi-structured nature of the interviews allowed participants to raise topics central to them but not covered in the cue questions.

The main difficulty in these interviews was covering the topics in sufficient depth in a reasonable time. There was a certain degree of risk that attempting to cover the selected range of topics in a short time would lead to gaps in the data. A more directive interviewing style was adopted at times simply to ensure that the relevant data was obtained. The age of the couple also influenced the length of the interview - it tended to take longer with those in the older cohort.

At the completion of the second interview the researcher's own comments were noted covering the following areas: the tone of the interview or sections of the interview; particular comments made that were not recorded but still fresh in the memory; observations that would lend weight to or explain comments; the body language of the respondents; the context of the interview - where and when; and the housing context of the respondents. This provided an important source of contextual information.

THE PROCESS OF DATA ANALYSIS

The process of data analysis can be summarised as involving the following steps:

- i) the transcription of the taped interviews;
- ii) the coding and labelling of data into categories consistent with the key themes;
- iii) the completion of a report on each household's work history covering the key themes;
- iv) the collapsing of the data into chapters.

In practice, these steps involved an initial plan of attack that was in each case modified as the data and the theoretical perspective adopted tended to impose its own mode of analysis. For example, the guidelines that were initially developed for the analysis of the interviews drew heavily on the steps employed by McLaughlin et al (1989). The initial plan was to selectively transcribe the information on the tapes onto a set of 10 or so large record cards and eliminate background conversation. The structure and content of the record cards were to be derived from the interview schedule itself and from other themes which emerged from listening to a selection of the tapes. The data reduction process was to occur when recording onto the cards. Each household was to have a set of cards to allow for comparison between households, or cohort groups, under the relevant themes.

The use of a highly selective transcription process, however, was abandoned as it resulted in a loss of much of the normative and cultural nuances that were evident in the interviews. Instead, the interviews were practically transcribed in full. Only introductory

and unrelated discussive material was excluded from the transcriptions.

The transcriptions were coded and the data labelled into the sections identified prior to the interviews - ie, material with relevance to the cultural and normative bases of labour supply activity; material linked to household strategies of labour supply activity; material relevant to factors in the labour demand context; and material indicating trends in labour market security. Headings or sub-themes within these broader categories were fluid through this and the following stage.

A report was written summarising each household's work history. These reports involved an outline of the jobs of each partner, and selected verbatim quotes from the transcripts which clearly and potently illuminated the data. Initial commentary notes explaining their labour supply activity and experiences in those jobs were also added. Two or three drafts of each report were prepared in the process. Those subject areas that were relevant at the macro-level were therefore examined in detail at the micro-level. They included the relationship between identified labour supply norms and the labour supply activity of the households. The comparative intent was concerned with questions of change in these across policy regimes. Questions of individual educational attainment and skill acquisition and the labour supply activity of the members of households were considered. Characteristics of the labour demand context, particularly in terms of the level of unemployment were explored. The theme of the labour supply activity of the members of households, as seen through their job changes, was explored in terms of the threat or actual experience of unemployment. Labour supply experience across historical regimes was examined in terms of reported levels of the risk of job loss, protection within the job, and opportunity for input into conditions. Household income need was examined in relation to the level of state provision of welfare. Once the household reports were completed, the data was organised into the specific subject areas that comprise the following chapters.

INTRODUCING THE HOUSEHOLDS

The second half of this chapter comprises an introduction to the sample households and a brief outline of their work histories. All names of individuals, their places of employment, and other identifying characteristics of their work histories have been changed in order to ensure confidentiality. These introductions will allow the subsequent chapters to focus on the selected themes and provide for analysis and interpretation rather than description. Each household was distinctive, with its own characteristic features evident in its work history. The introductions endeavour to convey some of these features. However it is also possible to detect a shared history of different welfare regimes. The chapter concludes with a summary of the households' characteristics.⁵

The Older Cohort (50-60 years of age)

Jim and Ann Malone

Ann and Jim Malone lived alone in their own home in Palmerston North. Ann was 63 years of age and, apart from several weeks of casual work in October and November each year since 1988, had not been in paid work since 1955. She left secondary school at age 16 in 1947 to work for her widowed father who had a dairy farm in the Manawatu district. She described the work as "complete housekeeping plus farm work with no specified hours" - "all hours of the day and night". She was paid no wages, but was "kept". Her father remarried in 1952 and, no longer required to provide the domestic work, Ann left the farm to begin a full-time job in Levin as a shop assistant. In 1955, Ann left this job to marry and moved with her new husband onto a leased farm. A year later her first daughter was born and her second daughter 10 months later. Ann left her first husband in 1964 and shifted into Palmerston North where she bought her own home. In 1965 she married Jim who moved into Palmerston North with her. Jim and Ann had a son in 1966.

⁵ The work histories are also presented in note form in Appendix 4.

Jim was aged 59 and had retired early on accident compensation in 1991. He left school in 1951 at age 15 when offered a job on the telephone exchange in one of the small rural service towns of the Manawatu. A year later he found a job as a "builder's hand", the hours of which also allowed him time to run the small family farm. After a year as a builder he wanted a change and found a job as a general maintenance worker for the local dairy factory. Seven years later he began working in the factory's engineering workshop where he became a qualified "boilerman". Jim left the dairy factory in 1965 when he married Ann and moved to Palmerston North. He found a job with a small business which specialised in reconditioning car engines. Nine years later, Jim suffered a serious head injury in a car accident and spent from 1975 to 1977 in subsidised rehabilitation work before returning to his job reconditioning car engines. Jim continued in his job, reconditioning motors, until he retired in 1991. At that time, his employer asked him to resign and supported Jim in an application for accident compensation. The business was facing financial problems in the difficult economic environment and was not taking on new staff when existing staff left. The employer supported the application by claiming that Jim could not maintain a high standard of work and that the business could not afford to "carry" him. Jim's position was not replaced. Despite the suggestion of brain damage as a result of the accident, Jim's contribution to the interviews was in every way similar to that of other male respondents.

Mike and Joy Cook

Joy and Mike Cook lived with their adult daughter in a rented house in Palmerston North. They had another daughter who also lived locally. Mike was 60 years of age and was employed as a newspaper compositor and trainer for a local printery. Joy, at the time of the interviews, was finishing working in two part-time home-care aide jobs and about to take on a full-time clerical job. She was 55 years of age.

Mike Cook was a London trained printer. He and Joy emigrated with assisted passage from England to New Zealand in 1965. Mike arrived to a printing job with a large South Island newspaper and Joy found clerical work with the public sector. In 1967 Mike was seconded from Christchurch to a North Island technical training institution for one year

to establish its printing department. Joy remained in her full-time job in Christchurch during that year. At the completion of his contract, Mike returned to a job as a printing factory manager in Christchurch. Two years later, in 1970, Joy left her clerical job to have her first daughter.

In 1972 they travelled to one of the Pacific Islands where Mike worked as a printery instructor, and Joy gave birth to her second daughter there in 1973. In 1974, they travelled back to Tauranga, New Zealand, where Mike found work as a newspaper planner and compositor for a North Island newspaper. They bought their own home in Tauranga and, to assist with the cost, Joy began working part-time as a cleaner.

Four years later they sold their house and moved to another North Island centre, Hamilton, where Mike worked as an overseer and trainer for a printery. While in this job, he and Joy also ran a foster home for the Department of Social Welfare. In 1980 they left Hamilton and travelled back to one of the Pacific Islands again, where Mike worked as a printing instructor and adviser. While there, Joy began to work as a part-time school librarian and all but completed a course in librarianship.

They returned to Palmerston North, New Zealand in 1985 for the secondary school education of their daughters. Mike found a job as a photo lithographer and Joy found a part-time job as a librarian and teacher-aide. In 1986 she took on a second part-time job as a home-care aide. Mike was made redundant in 1988 when his employer closed down its printery section. He was unemployed for three weeks before finding work at another local printery working on a large newspaper. In 1993 Joy took on two new part-time jobs in home help assessment and home-care aide. In the week following the interviews Joy was to leave these and begin a full-time clerical job.

An important feature of this household's work history was the frequency with which Mike had changed his jobs within the occupational field of printing up until his redundancy in 1988. He did not have the same opportunity to continue this practice after 1988 and expected to remain in his current job until retirement.

Ken and Noeleen Fraser

Noeleen and Ken Fraser lived alone in their own ex-state house in Palmerston North. Ken was 59 years of age and had worked as an electrician for the same firm since 1956. Noeleen, a trained primary school teacher, was 57. They had two adult daughters who lived locally with their own families.

Noeleen left school in Hastings at age 18 and worked for one year as a shop assistant. She decided to "further [her] education" and, in 1957, attended Teacher Training College. Following a probationary year teaching back in Hastings in 1959, she married Ken and shifted to Palmerston North. Noeleen could not find a teaching job within Palmerston North city and, as she did not drive, she was unable to accept jobs in outlying districts. She became pregnant within months of marrying and did not return to teaching again until 1974 when her youngest daughter began attending intermediate school. In 1974 she took on casual day relief teaching and worked on this basis until 1986, when she finished this for a part-time job as a "tea attendant" with a large local public sector employer. She was made redundant 21 months later as part of the public sector restructuring. Noeleen thereafter worked from home on a cash/hobby basis, knitting baby wear for local shops or other buyers. Noeleen also described herself as an active grandmother, being there to help out with child care when required.

Ken had worked as an electrician all of his adult life. When he left school he undertook an electrician apprenticeship at the local dairy factory. On completion he was offered a job with the local electrical engineering firm he has worked for since. From 1990 Ken faced declining conditions in the job and, at the time of the interview, was not guaranteed 40 hours of work each week. He was sent home if there was no work. Ken hoped to work up until he was eligible for the superannuation benefit - probably for a further four years.

This appeared to be an archetypal male breadwinner household. Ken had been securely employed and Noeleen's paid work since marriage had been seen as peripheral to the household's needs. The part-time and casual nature of that work had led to the

deterioration of her teaching qualification and subsequent situation in an informal cash/hobby labour market.

Geoff and Denise Wood

Geoff and Denise Wood lived in their own home in Palmerston North. Geoff was 58 and Denise 50. They had two grown sons who had both left home. Denise ran her own small cake shop and, at the time of the interview, Geoff was in the process of resolving the loss of his job from a local farm animal advisory agency.

In 1965, Geoff Wood emigrated with assisted passage from Scotland to New Zealand to work as a herd tester for a farm animal advisory agency. While working there he met Denise and they married in 1969. Geoff described himself as a loyal employee and for the next 21 years he worked his way up through the ranks of his employing agency. After a major restructuring in 1990 Geoff was shifted from a full-time permanent job to an unspecified part-time arrangement where his hours of work fluctuated. Initially the hours of work were close to full-time, but they were steadily eroded until, in July 1994, he was effectively laid-off. When interviewed in the initial classificatory survey Geoff reported that he was negotiating the terms of his job with his employer and that he did not see himself as unemployed. He was therefore included in the sample.

Denise was born in Wanganui, New Zealand. In 1960, after three years of secondary school, she attended a two year hairdressing course. She completed a certificate but, on leaving, found a job as a shop assistant in a Wanganui department store. A year later she began working for a second store in Wanganui. While there, she applied for a job as a herd tester with the same farm animal advisory agency that had employed Geoff. She was accepted and spent the following three months, until the beginning of the dairy season, working as a cafeteria hand. She married Geoff in 1969 and stopped working in 1970 to have their first child. She was offered part-time laboratory assistant work for the advisory agency in 1975 and steadily increased her hours until she was working full-time again in 1978.

Denise Wood was made redundant in July 1991 and was out of work for two and a half years. In January 1994, as Geoff's hours of work were eroded, she bought a small cake shop and became self-employed. The dominant events in this household's work history data were the 1990/1 redundancies. Geoff and Denise had been long-serving employees of the animal advisory agency and the loss of their jobs in their pre-retirement years had undermined their retirement plans and left them vulnerable with an inadequate income.

Nigel and Sue Wilson

Nigel and Sue Wilson had just moved to Palmerston North the day before the initial household classificatory survey and lived in a rented house. That week Nigel had resigned from a health sector administration job in Wellington and was on a sickness benefit. He was 57 years of age. Sue, who was 54, had left a job as a shop assistant in Wellington and had found work in Palmerston North as a motel cleaner. She also provided child care for her daughter on an undeclared cash basis.

When he left secondary school in Hamilton, in 1953, Nigel Wilson found a job as an apprentice cinema projectionist. He completed the apprenticeship and worked as a projectionist until 1960 when he married Sue. After marrying he wanted to avoid working late at nights and he found a job as a typewriter mechanic. He did not foresee long-term prospects as a typewriter mechanic and he changed jobs in 1965 to work for an armoured transport firm. He had the opportunity to gain experience in administration while working for the armoured transport firm and eventually he became the branch supervisor. Rapid growth in the security business resulted in unreasonable increases in his workload and, in 1971, he left for a job as a cashier for a farm trading enterprise in Hamilton. In 1973 he moved again to a preferred position as senior clerk within the Hamilton health service and while there progressed through the ranks of the administrative staff. His career path involved a three year period as an assistant manager of a rural Waikato hospital. In 1981 he moved to the Manawatu as, first, a manager of a rural hospital, and later as an administrative officer.

By the late 1980s the health sector was facing administrative reform and Nigel's position

was "dis-established" in 1988. Following his redundancy, Nigel worked for 10 months in two part-time jobs in Wanganui before finding a full-time job as a debt controller in the Wellington health service. Nigel left this job in October 1994 because of stress and health related problems.

In 1953, at age 13, Sue Wilson began a hairdressing apprenticeship in Hamilton, but following the closure of the hairdressing business she began to work as a nurse aide in a private hospital. In 1959 she moved to a rural hospital as a trainee and gained her registered nursing qualification. A year later she moved back to Hamilton to marry Nigel and began night duty nursing. In late 1961 she left the night duty nursing to have her first child. She returned to paid full-time work, this time as a clerk, for an 8 month period in 1963. Nigel's mother provided the necessary child care. She left when she was pregnant with her second child. Sue had a third child in 1967. In 1968 she began part-time night nursing for a rest home and did so for about a year.

She did not return to paid employment until 1974 when she began full-time work as a shop assistant in a Hamilton department store. She worked in this until 1978 when the family moved to Raglan for Nigel's new job as an assistant manager. Sue worked full-time as a nurse while at Raglan. When they moved to Wanganui three years later in 1981 she worked for a year as a nurse and later as a matron of an old age rest home. In 1990 Sue and Nigel moved to Upper Hutt for Nigel's new job in Wellington, following his redundancy, and Sue found another job as the matron of an Upper Hutt rest home. They shifted again in 1992, this time into Wellington itself. Nigel had found his job increasingly demanding and they moved to reduce the amount of travelling he faced each day. Sue found a job in Wellington as a shop assistant. Following Nigel's resignation in October 1994, they moved to Palmerston North and, when interviewed, Sue worked part-time as a cleaner.

Nigel's redundancy in 1988 at age 51 had a negative impact on the ensuing labour supply activity of this household. He had subsequently been unable to find secure employment. His pursuit of a stable job had involved various regional shifts and Sue's career as a nurse and matron was sacrificed in the process.

Shirley and Len Bassett

Shirley and Len Bassett lived alone in their own home in Palmerston North. Len, aged 57, worked as an auditor in the public sector and Shirley, aged 52, had retired, due to poor health, from district nursing in 1991. Their two adult children had left, although their adult son periodically returned to live at home.

Len left secondary school in 1953 to work as an office junior for an agricultural promotion agency. Over the following 15 years he worked his way up to the position of secretary/manager for the agency. However, in June 1984, after applying to alter his job description, Len was asked to resign. He reported that his employer was after a person with more managerial qualifications. He was unemployed for two months before finding part-time work as an office manager for a small insulation consulting business. In September 1985, 21 months later, he found a full-time job as an auditor in the public sector, and was still employed there in 1994.

Shirley trained as a nurse in a rural North Island hospital between 1960-1962. In 1963 she moved to Te Kuiti hospital to gain the necessary maternity care experience to attend a midwifery course in Auckland. She attended the course from November 1964 to July 1965, after which she moved to Palmerston North where she worked as a midwife. In 1968 she finished this job for one as a night duty nurse at a local private hospital. She worked there until she married Len a year later in 1969. Following their marriage, Shirley left night duty nursing for a day job in the maternity unit at the local hospital. She left when pregnant in 1970 and had her daughter in 1971. Shirley adopted a second child in 1975. In 1972 she had returned to part-time nursing (16 hours a week) and did so until 1979 when she took a job as a casual district nurse. She worked in this until poor health forced her to retire in 1991.

Dan and Margaret Young

Dan and Margaret Young lived in their own home in Palmerston North. Dan, aged 54, worked as a commission agent servicing charity sweet dispensers and also as a casual

fitter and welder. Margaret, aged 52, was a shop assistant. Their four children had all left home.

Dan Young left school in Dannevirke in 1955 and began an apprenticeship as a fitter, turner and welder. He worked in this until his employer switched from general to manufacturing engineering in 1963. He did not enjoy the production line type work that resulted and left for a job as a garage attendant and later a shop assistant and delivery driver. In 1964 he purchased a grocery business in Dannevirke with Margaret. They ran the business until 1980 when they sold it and bought a butcher shop in Palmerston North. The butcher shop began to face financial problems in the downturn of 1987 and in 1988 was forced to close. Following the closure, Dan travelled to Wellington where he worked as an assistant manager for a meat processing firm. His family remained in Palmerston North but planned to join him later that year. Living apart was too much of a strain for the family and Dan returned to Palmerston North nine months later, and subsequently found a job in a similar smallgoods manufacturing business. Dan worked in this until being made redundant in mid-1991. With his self-taught skill as a meat processor, he found work for someone he described was a "backyard butcher", but lost the job six months later. He subsequently found temporary work for two months as a part-time garden centre assistant. He reported being desperate to find a full-time job and, in March 1992, accepted work as a commission agent for the charity sweets dispensing business. The work involved the servicing of multiple sclerosis charity sweets dispensers in the surrounding region. Dan's income from this did, however, steadily erode and by 1994 was half what he received when he began the job in 1992. Dan, who demonstrated a good deal of resourcefulness, returned to the Polytechnic to update his welding skills and, just prior to the interviews, had begun to seek casual engineering work.

Margaret Young left school in 1957 and worked as a shop assistant and office worker for a bakery shop in Dannevirke. She married Dan in 1962 and left her job in 1963 to have her first child. In 1964 she began working part-time in the grocery business with Dan. She moved to Palmerston North in 1980 and continued to work part-time in their butcher shop. When that began to face problems in 1987 she found extra work as a relieving shop assistant for a large department store. Following the closure of the

business in 1988 she found a half-time shop assistant position. In 1991, following Dan's first redundancy, she moved to full-time hours.

The 1988 business closure forced Dan and Margaret into the labour market at a time of rising unemployment. Dan subsequently found it difficult to obtain a stable job. The household's ongoing solvency had been maintained by Margaret's opportunity to move from part-time to full-time work.

Richard and Barbara Price

Barbara and Richard Price lived alone in their own ex-state house in Palmerston North. Barbara was 51 years of age and had a part-time job as a dispatch assistant for a local printery. Richard was 58 and was a travelling sales rep. for a water products firm.

Barbara was a trained primary school teacher but had not taught full-time since marrying Richard in 1965. They had their first child in the first year after marrying and Barbara's primary role in the household had been raising the children and running the home. She returned to casual day relief teaching in 1977 and had taught on this basis until 1990. In 1980 Barbara also began a part-time job as a dispatch assistant for the local printery, a job she still held when interviewed.

In 1952 at age 15 Richard left school for a motor mechanic apprenticeship. On completion, he tried several other occupations - a truck driver and a builder's labourer - before beginning a job in merchandise sales for the local general purpose store. He has since worked in farm merchandise and wood products sales. Richard said he "was born" to work in sales and had worked for eight different employers selling a variety of farm merchandise. In 1981 he began working for one particular firm and after the 1986 farming sector downturn he was made redundant. He could not find another job and was out of work for eight months. He was re-employed by the same firm in early 1987 only to be laid-off by them again in 1993. Richard was out of work for another five months before finding the job with the water products firm. The redundancies of 1986 and 1993 had left Richard and Barbara with a strong sense of vulnerability to job loss and as a

consequence Richard had accepted significantly lower wages and conditions in this job.

The Younger Cohort (30-40 years of age)

Alan and Janice Foster

Alan and Janice Foster lived in their own ex-state house in Palmerston North with their two daughters, aged 12 and nine, and their son aged six. Alan was 40 and had a job as a carpenter for a large construction company. Janice was 38 and at the time of the interviews worked in four part-time jobs.

Alan Foster left secondary school in 1969 at age 15 and worked for two years planting trees for the local council. In 1971 he moved to Wanganui to begin a carpentry apprenticeship. He completed this in 1975 and moved to Palmerston North where he began working on a large construction site as a builder. Alan reported that he did not enjoy that type of building work and later that year found another job for a smaller firm building houses. In 1978, the year he married Janice, he was made redundant when the firm closed down. Alan immediately found a job as a maintenance builder for a new deer farming venture. The New Zealand deer industry was in its fledgling stages at the time and Alan was made redundant again when his new employer was forced to close later that year. He reported immediately finding temporary full-time work which he had for three weeks before he secured a permanent carpentry job. Nine years later in 1987 Alan perceived a heightened risk that his employer would close down and he began looking for a new job. He found one as a carpenter for a large construction firm in 1988 and was still working there at the time of the interviews.

When Janice Foster left school in 1973 at age 17, she found a part-time, fill-in job at a Palmerston North laboratory. She worked for the laboratory for six months before finding a full-time job as a clerk at the local hospital. In 1982, at age 26, Janice left to have her first child. They had just bought their own home and were finding it difficult to make ends meet, so five weeks after the birth of this child Janice began working three nights a week as a Fish'n Chip shop assistant. When the shop closed two years later she

began two other part-time jobs: as a night cleaner and as a relieving shop assistant for a local grocery store. She left the cleaning work nine months later when pregnant, but continued working part-time as a shop assistant until 1989. Between 1989 and the time of the interviews she had increased her number of part-time jobs to four. She worked week-ends as a Hot Dog stand attendant; she stacked supermarket shelves at nights during the week; she cleaned motels; and she had her own house cleaning business. Janice's history provides an example of the trends in the use of multiple part-time jobs to enable households to remain solvent in difficult economic times.

Dennis and Joanne Parker

Dennis and Joanne Parker lived in their own house in Palmerston North. They had two sons, a 12 year old and a 10 year old, and a six year old daughter. Dennis, aged 41, was a secondary school science teacher, and Joanne, aged 39, was a primary school teacher.

Dennis completed a Bachelor of Science degree in 1976 and the following year completed a Diploma in Teaching. In 1978 he began teaching science at a local high school in Palmerston North. After two years in the job, together with Joanne, he took one year off teaching to attend a theological course in Christchurch. On returning to Palmerston North he could not find work as a teacher, so he began a job as a research technician at one of the local agricultural science institutions. He worked as a technician for two and a half years before moving to a similar position at a parallel institution. In 1985, just prior to a major redundancy programme at this institution, he managed to find work as a teacher again, this time at a high school some distance out of town. He taught in this until 1989 when he found a job closer to home in Palmerston North.

Joanne completed her primary teaching diploma in 1976 and spent her first year as a probationary teacher in Pahiatua. Early in 1978 she married Dennis and moved to Palmerston North where, after three months in a temporary job, she found a permanent position at an intermediate school. In 1980 she travelled to Christchurch with Dennis and when they returned to Palmerston North in 1982 she found another temporary job. She was reluctant to take on a permanent position and went on to work as a casual day relief

teacher for schools in her area until she had her first child. She did not teach for 10 years while her children were young. In late 1992 she spent two months in a part-time teaching job, and in 1994 she had spent two months in a similar position, as well as casual day relief teaching. During the two months prior to the interview she had been working full-time in a temporary relieving position. Joanne had been offered this job on a permanent basis, and was in the process of weighing up whether she should take it.

Although Dennis and Joanne were both well qualified, Dennis had been the sole earner from 1982. Joanne was beginning to return to teaching given what they reported as the declining real value of Dennis's earnings and the maturing life-cycle stage of the family.

Grant and Dianne Sykes

Dianne and Grant Sykes lived in their own home in Palmerston North. They had a four year old daughter and a one year old son. Grant, aged 32, worked as a water treatment plant operator for the regional government.

Dianne, aged 30, was the primary care-giver for the children and had a casual job as a totalisator operator for the horse racing club on race days. At the time of the interviews she had also taken on temporary stable-hand work.

She left secondary school in 1981 for a job as a clerk in Wellington. In March 1985 she and Grant shifted to Palmerston North where she found a similar office work position. She also began working as a totalisator operator on race days and later a control room operator. Dianne left her full-time job in February 1990 when she was pregnant with her first daughter. She had another child in 1993. In 1994 Dianne began to work on a temporary basis as a stable-hand for the horse stud.

Grant left school in Wellington 1978 for a job as a roofing labourer. He resigned in 1979 when he found he was not being paid the award rate and registered as unemployed. Soon after moving on to the unemployment benefit he found casual work in the informal economy cutting firewood for extra cash. He reported spending six months cutting firewood before being required to undertake a mandatory forestry work scheme for the

unemployed. Grant returned to official paid work in 1980 as a labourer for a demolition firm but after a year of using heavy pneumatic drills he injured his hands and left on accident compensation. While receiving accident compensation Grant reported being offered the opportunity to become a self-employed roofing contractor but the work fell through and he went on the unemployment benefit again.

Later in 1982 he found temporary work as a labourer on a large building site in Wellington. When the project was completed in 1984 he found another temporary job as a courier/driver. In 1985, after marrying Dianne, they moved to Palmerston North where, in one year, Grant had four different jobs: milling and mixing plastics in a plastics factory; working as a tyre recapper; delivering and installing waterbeds; and a lube bay attendant. In 1986 he found another job at the regional government's works depot as a tyre fitter. While there he gained his heavy traffic licence and was given a job as a truck driver. While working as a driver he was offered a position as a water treatment plant operator. In this job he was given the opportunity to train for a recognised qualification. Grant had spent a decade working in low-skill, tenuous labouring jobs, but on obtaining this position he began to enjoy a new level of employment security.

Mark and Bernadette Mills

Mark and Bernadette Mills lived in their own home in Palmerston North and had three young children aged between four and eight. Bernadette, aged 31, was a nurse and Mark, aged 36, was employed as an exhibition designer for a local art and design gallery.

When he first left secondary school Mark spent a year at the Auckland Polytechnic in an art course. When it looked as though he was not going to pass his final exams, he found a job as a cartographer and later as an illustrator with a government agency in Auckland. He was made redundant from this job in 1979 and moved back to his parents' home in Palmerston North. In Palmerston North he found a job as a porter in a local geriatric hospital. He was there "for about a year". He subsequently had three short-term illustrating jobs before travelling to Australia in 1982. Mark returned to Palmerston

North in 1983 to marry Bernadette and found part-time work as a kitchen hand in a local restaurant. He was employed as a kitchen hand for over a year before being appointed as the promotions manager for a department store in 1984. He was fired from this after a year over disagreements with his superiors about how best to do the job, but within weeks found a job at another local department store as, first, a screen printer and later as a display manager. This store collapsed in 1990 and Mark was made redundant. He registered as unemployed and also began to work "under the table" preparing design and art work. Mark was persuaded to undertake a small business course six months later and, on completion, he converted his "under the table" work into an official business. He found it difficult to make ends meet and, while working on an official self-employed basis, continued to search for a full-time permanent job. In 1992 he secured, on a temporary basis, a position as the exhibition designer at the local art and design gallery. At the time of the interviews he was still in this job.

Bernadette had left school in 1979 for a job as a hospital aide at the geriatric hospital where Mark was also, at that time, a porter. In 1981 she left to train as an enrolled nurse at the local general hospital. On completing her training in 1983, she returned to the geriatric hospital. She had worked for the local general hospital in a variety of nursing jobs - part-time and casual - from 1984. In 1993 Bernadette enrolled in a full-time, comprehensive nursing course to update her qualification and was in the final stages at the time of the interviews.

James and Sarah Adams

James and Sarah Adams lived in their own home in Palmerston North. They had daughters aged nine and seven. James, aged 41, worked as an embalmer for a local undertaker, and Sarah, aged 34, worked part-time as a home-care aide. When Sarah was 14 she had an after-school job in a local grocery department store. When she turned 15, she was offered the job on a full-time basis. She accepted and left school at the end of the fourth form. She had worked her way up to a position of assistant manager for the store by 1985 when she was made redundant. She was planning to leave to have a child at the time and found the redundancy advantageous. Sarah had two children and from

1990 returned to part-time paid work as a home-care aide.

James left school at the end of 1971 for a job as a "storeman". It was initially intended as a holiday job but he remained in it until 1975 when he moved to Wanganui and worked as a shed-hand in a timberyard. He returned to a timberyard job in Palmerston North a year later and subsequently had several stores-administration jobs. James left a job as a stores manager in 1978 and for the first six months of 1979 was unemployed - what he described as "taking time out of the workforce". When he was ready to return to paid employment he found work mowing lawns and washing cars for a local undertaker. The casual work led to a permanent position with the undertaker where, over time, James became the embalmer. As the sole embalmer in the business, James enjoyed a certain level of employment security.

SUMMARY OF THE HOUSEHOLD CHARACTERISTICS

Fourteen households were selected and interviewed from the initial classificatory survey, but as noted previously, one was excluded from the data analysis, providing a sample of 13 households - eight in the older cohort and five in the younger cohort. Dan and Margaret Young's work histories were included, despite their self-employment for a period of 24 years between 1964 and 1988, as they were wage earners at the time of the interviews.

Household Composition

The households were constant in terms of their make-up. The sampling criteria of excluding reconstituted households, and of seeking households with two parents, meant that in every case the households comprised stereotypic nuclear families.

TABLE 5.2:
SUMMARY OF OLDER COHORT HOUSEHOLD
CHARACTERISTICS, OCTOBER 1994

Household Surname	Malone	Cook	Fraser	Wood	Wilson	Bassett	Young	Price
Ages:								
Female	63	55	57	50	54	52	52	51
Male	59	60	59	58	57	57	54	58
Home Ownership	Own	Rent	Own	Own	Rent	Own	Own with mortgage	Own
Children still resident		One adult child						
Employment Status at October 1994	F:NPW C M:AC	F:PT C M:FT	F:C M:FT	F:SE M:FT	F:PT M:FT	F:NPW M:FT	F:FT M:FT	F:NPW M:FT

F = Female; M = Male; NPW = Not in Paid Work; PT = Part-time; C = Casual; SE = Self Employment; AC = Accident Compensation; FT = Full-time.

Current Employment Status

In the eight households of the older cohort, seven of the males were in full-time employment (one having just left prior to the first interview to go on a sickness benefit, and one had an indeterminate employment relationship which he was in the process of resolving with his employer when first approached), and one was in receipt of accident compensation. Of the female partners in these households, three were not in the paid workforce, two worked on a part-time and casual basis, one worked full-time, one worked in her own business, and one worked for undeclared income.

In the five households in the younger cohort each of the male partners worked full-time, four of the female partners worked on either a casual or part-time basis, and the fifth worked in a temporary full-time position.

TABLE 5.3:
SUMMARY OF YOUNGER COHORT HOUSEHOLD
CHARACTERISTICS, OCTOBER 1994

Household Surname	Foster	Parker	Sykes	Mills	Adams
Ages:					
Female	38	39	29	32	33
Male	40	41	32	34	41
Home Ownership	Own with mortgage	Own with mortgage	Own with mortgage	Own	Own
Residents at October 1994	Children aged 12,9,6	Children aged 12,10,6	Children aged 4,1	Children aged 8,7,4	Children aged 9,7
Employment Status at October 1994	F:PT/C M:FT	F:TFT M:FT	F:C M:FT	F:PT/C M:FT	F:PT M:FT

F = Female; M = Male; PT = Part-time; C = Casual; TFT = Temporary Full-time.

Home Ownership

In the older cohort, five of the households owned their home without a mortgage, one owned their home with a mortgage, and two households lived in rented accommodation.

In the younger cohort, two of the households owned their homes without a mortgage and three owned theirs with a mortgage.

Children Living at Home

In the older cohort, seven of the eight households had no children living with them. Joy and Mike Cook had one adult daughter living with them, and Shirley and Len Bassett had one adult son who periodically returned home - in between flats - for short periods. All of the younger cohort had children. Three families had three children and two families had two children.

SUMMARY

This chapter has outlined the method for the compilation of the life and work histories of 13 Palmerston North households. The broad focus of the research is concerned with the impact of variable welfare regimes on the nexus between households and work. The stereotypic nuclear family has been chosen as the household type from which to examine that nexus. An analysis of developments in the labour market activity of the male breadwinner household type allows for a consideration of the impact of welfare regimes on that activity.

The research methodology has focused on capturing the household context for labour supply activity. This poses certain challenges in presenting the data. A series of case studies is one approach, but, given the number of households, the data will be presented in a discussion of themes. This chapter has introduced the reader to the broad work histories of the households. The following chapter will explore the cultural or normative influences on the labour supply activity in these households. It will seek to establish the cultural context of decision-making around work as a way of framing the subsequent discussion of household employment.

6

MALE BREADWINNER HOUSEHOLD LABOUR SUPPLY

Chapter 6 is concerned with examining changes in the nexus between households and work in terms of normative labour supply patterns. The examination is linked to the broader objective of the research through the premise that welfare regimes and particular cultural or normative patterns of labour supply are linked in an interactive relationship that is mutually reinforcing. The review at the macro-level noted the close historical inter-relationship between the male breadwinner normative pattern of household labour supply and the wage earners' welfare state. This chapter traces those cultural influences in the households that were studied and examines how they have been altered by the transition to a liberal welfare regime.

Male breadwinner households are those where the men are expected to be the only or, at least, the primary breadwinners and where the women are expected to be either supported as home-based non-market carers or secondary labour market participants (Cass 1995:4). Male breadwinner arrangements were actively reinforced within the welfare regimes dating from the 1890s. Macro-level data tended to suggest the demise of the male breadwinner pattern of labour supply through the 1970s and into the 1980s.

Female labour force participation rates had increased from the 1960s in both part-time and full-time employment. And with the transition to a liberal welfare regime, the surety that households had historically experienced of having a male in a standard 40 hour per week job diminished. The demise of the male breadwinner household is implied, yet the rise in female labour force participation has stalled since 1986. It appears women have faced contradictory pressures to earn more, as real incomes have fallen and as closer targeting of social assistance has been instituted, and at the same time they are being left to shoulder a greater portion of community-based voluntary social service delivery. The macro-level data has not indicated what this actually meant in terms of changes in the distribution of work inside and outside the household and, at a more fundamental level, how attitudes and beliefs about male and female roles had changed.

The work history data provides a picture of developments in the male breadwinner pattern of labour supply from the 1950s and 1960s and illuminates what has actually happened in the selected households. Reviewing the normative labour supply practices, therefore, provides the basis for an examination of how patterns of labour supply activity have been redefined in the 1980s and 1990s. The chapter begins by describing the impact of male breadwinner norms on the early working years of the older cohort and analyses evidence indicating the persistence of these norms in the younger cohort. The analysis notes variation in normal patterns of household labour supply between cohorts at the life-cycle stages of marriage and the birth of the first and the last child. The ongoing propensity of women to enter part-time and casual paid work after the arrival of children is considered in terms of patterns in the distribution of work inside the household and is linked to child care norms. Finally, the management and control of finances is considered as an indicator of male breadwinner norms and their persistence over time.

THE NORMATIVE BASIS FOR THE ADOPTION OF MALE BREADWINNER ROLES

The wage earner cum social expenditure welfare regime was based on and reinforced a particular set of household labour supply norms. It had an ongoing role in supporting the male breadwinner model of household organisation in which women were economically dependent, unpaid domestic workers and providers of reproductive services (Briar 1992:55; Castles 1985:106). In each of the households included in the study, the males were either the sole breadwinner or the primary breadwinner, depending on the family life-cycle stage. The secondary status of the female income persisted in those households when both partners were in full-time work, both prior to and following the child-bearing years. The normative basis for the adoption of these roles after marriage was illustrated in references by both cohort groups to the way that they were assumed as natural or inevitable. Reference to the influence of these norms was, as would be expected given the male wage earner welfare strategy of the mid-century, stronger in the older cohort as their patterns of household labour supply were established in this period.

Males as Breadwinners

The wage earner welfare regime was premised on full male employment with men in standard full-time jobs that were both secure and permanent. State activism in trade and industry promoted full male employment and incomes policies guaranteed a minimum wage, set on the basis of "family" need, to households with a male wage earner. Such measures were designed for the idealised society of nuclear families dependent on the male's income, presumably shared equitably within the household (St John 1994:88).

A review of the responses by males in the older cohort indicated that they identified themselves as breadwinners with particular careers and occupations that would allow them to fill that role. Len Bassett's identity, for example, was strongly intertwined with his role as the household income provider:

Well, I've been brought up in a situation where the male has always been the provider - I came from a family of seven, where my father was the provider, he was the authoritarian head of the family, and I have always regarded that as being the job of a husband.

These men tended to see their futures as being in full-time careers or occupations through which they could fulfil their provider role. Richard Price identified strongly with the occupation of salesman. Commenting on why he left his first job where he had trained as a motor mechanic, he said:

I don't know, I suppose it's your first job and either it's very good for you or not - and for me it wasn't ... I guess I was born to be a salesman - and I just kept trying for a few years until I got a salesman's job.

His long-term goals were linked to his identity and aspirations as a full-time salesman. In a similar manner, Mike Cook saw in the occupation of printing a job with secure long-term earning potential:

I started in 1949, and at that stage, quite rightly - my dad was a printer, my brother was a printer - and quite rightly, I think, Mum and Dad said, in their wisdom, ... 'What are you going to be? Be a printer if you like' - 'oh all right, yes, well that's good enough'. But that was the thing to be in, it was a good job, a job for life.

These males, then, were expected to be household providers and aspired to careers by which they could fulfil that role. As Phillips (1987:234) noted in his review of male culture and household relations through this period in New Zealand, "men ... were publicly expected to do little ... except bring home the money".

There was evidence that these norms, which were influential in the early stages of working lives, continued through the life course. Nigel Wilson became a sickness beneficiary in 1994 at the age of 57 (at the time of the interviews). His wife Sue was at that stage working in a full-time job, but Nigel asked her *to leave this* as he was unwilling to adopt the role of an economic dependant reliant on his wife's income. He said:

It wouldn't be right for her to be out there working full-time and me to be sitting home doing nothing. ... The cold hard economics of it are that I don't envisage Sue going out to work full-time and me doing the housework - I can't see that.

Nigel's attitude was deeply ingrained. Nevertheless, he acknowledged that:

If we were pushed and we couldn't cope and there was no other option, then we may have to consider doing that, but I am very reluctant to - I'd rather get another job myself.

The example here indicates the extent to which these men identified as economic providers and not as dependants. When such men were denied opportunities as breadwinners the unemployment benefit or the sickness benefit was provided in a way which reflected their position in the household (cf Briar 1992:56-57). Richard Price, for example, had two spells of unemployment - the first was for eight months following his redundancy in 1986, and the second was for five months following his redundancy in 1993. Although Barbara Price, a trained teacher, continued in her part-time and casual jobs through these spells, she did not endeavour to increase her income and jeopardise his eligibility for the unemployment benefit. In so doing, she also maintained her husband's breadwinner role by ensuring his continued eligibility for the receipt of the unemployment benefit. In fact, in each instance where the unemployment benefit, and in Nigel Wilson's case the sickness benefit, was taken by unemployed respondents once they were in the selected households, it was done so in such a way as to maintain males in the breadwinner role (see Chapter 8). The male breadwinner pattern of labour supply was therefore strongly ingrained and reinforced by the provisions for social security.

Women and the Domestic Work Role

The older cohort women also "naturally" assumed the role of domestic worker. Ann Malone, for example, who had not been in paid employment since marrying Jim in 1965, apart from several weeks of casual work as an examination supervisor in October and November each year from 1988, stated that the adoption of male breadwinner roles in her household had been "automatic". She explained:

There was no choice. ... I thought it was better for me to raise the kids than Jim - and he would have had a great deal of difficulty carrying that bundle in front of him. Basically, I was more capable at organising them and Jim was more capable at bringing in the money.

While her response includes an explanation that the roles were adopted for, apparently, self-evident biological reasons, it also suggests the impact of normative factors which

removed opportunity for alternative labour supply choices. Her explanation revealed assumptions about natural gendered capacities to undertake the gender defined roles.

Comments by other women in the older cohort illustrated what that actually meant in terms of the assignment of tasks within the household and the meanings associated with those tasks. Margaret Young, who had worked on a part-time basis in their own grocery business from 1964, explained that they had a clear delineation of roles.

Dan didn't play a big part in bathing the children or taking them to school etc. ... He would take them to rugby and things like that, but if they were sick, I felt it was just me who just naturally did it, as did most other mothers. So the husband went out to work and the wife looked after the children ...

Despite having worked part-time from when the eldest of their four children was one year old, Margaret was concerned to emphasise she had done so only because they owned their own business and lived on the premises:

... it just happened that I worked as well - because a lot of our friends, their wives were at home all the time - they didn't work at all. It wasn't common for a woman to work when she had children ... It was only our situation in that we lived on the premises. If we hadn't have moved to the shop I probably couldn't have worked like I did, because I probably would have had to stay home and look after the children. It was just the circumstances really. We never planned it that way.

The defensive tone of her comment suggested a degree of ambivalence towards having re-entered paid work while her children were young, reflecting the impact of norms which linked family stability to the domestic work role of women. It was apparent from her comments that she saw her domestic work role as being central to the well-being of the family. The implied concern with the threat to family stability that her paid work represented mirrored the cult of domesticity, propagandised by the likes of Truby King, with its emphasis on the "significant" role of motherhood (Olssen and Levesque 1978:6; Phillips 1987:223; James and Saville-Smith 1989:32).

Comments by other older cohort women also indicated the attachment of this meaning to their domestic activities. The result was a strong sense of female responsibility for the provision of child care. All but one of the older cohort women, including those who had

trained as teachers and nurses, left full-time work when they had children. Barbara Price, a trained teacher, did not return to full-time work after the birth of her first child. She explained:

I just felt that the children were too important ... they needed me here, when they were growing. They also needed me here when they came home from school. It's just the way I feel. I like being a full-time Mum.

Shirley Bassett, after having established her career as a midwife and hospital staff sister, left her job when she became pregnant with her daughter. She did not return to full-time work and explained the reason in terms of her role as a mother: "If you were pregnant, you finished, and you went home and looked after your baby ... My first priority was to be a good mother - nursing was incidental". Noeleen Fraser gave similar reasons for not returning to teaching while her children were young.

Well I stayed at home, basically, to begin with, because I wouldn't go out while the children were little. I refused to. I felt that, although it might be an old-fashioned idea in this day and age, I wouldn't. My place was to be Mum. That was just my opinion.

Her comment that this attitude was not so fashionable "in this day and age" points to change in the culture of the male breadwinner household. Nonetheless, the activity by Barbara Price, Noeleen Fraser and Shirley Bassett strongly illustrates the connection they made between female withdrawal from paid work and family stability.

The notion of family stability - the responsibility for which relied on mothers providing a stable, caring environment for children - was explicitly linked to the preference for part-time paid work by Joy Cook.

I wanted part-time work, because I didn't believe that I should be at work when the girls got home from school. ... It was a family choice. We wanted that stability in the home for the girls. He was always the one that went out to work, earned the money to pay whatever, whilst I stayed at home and looked after the children. We have no problem with that. I wouldn't change it given the time again, because I think it has been invaluable.

Females as Economic Dependants

The experiences of the older cohort men can be compared with the comments made by older cohort women. Their responses indicate they were primed for the role of economically dependent family and house workers, and that there was strong parental influence in that process. Ann Malone's experience as a young woman indicates how the role expected of her on their family farm meant she could not pursue her initial career aspirations. She was the eldest of the female respondents and spent her first six years out of high school, from 1947 to 1953, working for her widowed father as a housekeeper and farm worker. Her grandparents ran the home for three years after her mother died. When she was 15 she was offered a trainee job with the DSIR in Wellington but, influenced by her father, declined the opportunity.

I would have liked to have done work in botany, but Mum died and Pop [her father] was a wonderful manipulator. He said, "you can go dear" [in pathos tone]. DSIR kept the job open for 18 months. Not many people can say that. ... But Pop said, 'well you can go there, we'll manage' [in pathos tone], that's what I mean. ... So guess who kept house all those bloody years.

Ann Malone began working for her father when she left school at age 15. She was not paid wages but was "kept". Her activity would be consistent with the role of family members on small family farms in this era (see for example, Eldred-Grigg 1990:138-9, and Rankin 1990:64). Rankin (1990:64) notes that it was normal for females to simply be "at home" in unpaid domestic work after finishing school in the mid-century period. In 1953, after Ann's father remarried and her labour was no longer required in the house and on the farm, she found a job as a shop assistant. Ann worked as a shop assistant until she herself married in 1955.

When women did enter paid work before marriage, they were encouraged into non-career, feminised jobs. Denise Wood, through her father's influence, ended up working in what she referred to as "dead-end jobs". She was encouraged by her parents to train as a hairdresser and attended a hairdressing college after leaving high school. On completion of the course in 1962 she did not work as a hairdresser, but in the next three years had two jobs as a shop assistant and one as a cafeteria hand. In 1965 she left these for a job with a farm animal advisory agency. She explained:

I didn't settle in any of those jobs - it wasn't really what I wanted to do - I wanted to go onto a farm, and of course my father wouldn't allow either my sister or me to have anything to do with [farming] - because he was a farmer, and women on farms were not his thing ... they really controlled us more then.

Denise's parents restricted her entry into the male occupational sphere of farm work and encouraged her into the feminised occupation of hairdressing.

They expected you to be a young lady and do lady's work - and an expectation also was that you would marry, have a family and leave work and that would be it. ... My mother, to be honest, has never had a paid job in her life - she's always been a housewife, and that's been her ambition for her girls ... for their age-group, that's what a woman's life was to be - and I think it was for a lot of years.

Her comments indicate that her parents expected her working life after high school would simply be a time filling activity until marriage - when she would become a full-time, economically dependent housewife. This expectation concurs with Rankin's (1990:90) assertion that marriage was customarily promoted as a professional career for women in the management of households.

The assumption of future economic and housing dependency was also evident in the recommendation Shirley Bassett was given by her mother to train as a nurse. She explained:

She thought it would be a good job for me. Also, my father had died when I was nine - and ... what she didn't realize was how nursing would change - 'but you will always have a home' - she thought there would be someone to care for you.

Her mother's comments suggested an acceptance of the norm of female economic dependence on males, and in the absence of males, in some other institution (in this case a public hospital nurses' home) to provide security. Shirley's comment also indicates a perceived linkage between economic and housing dependence.

The influence of parents on the early paid employment of women, therefore, mirrors several assumptions about their role in this period. Early employment aspirations were stifled by an expectation that young women carry out the role of domestic worker; paid

employment prior to marriage was seen as a time filler until marriage, rather than as a career with any long-term objectives; women were discouraged from entering male occupational areas; and future economic and housing dependence was assumed. The responses of the women in the selected households, therefore, indicate the strong normative basis for female economic dependence within the mid-century regime. And, as Briar (1992) has shown, state welfare policies played a significant role in maintaining that economic dependence.

Male Breadwinner Roles and the Younger Cohort

The norm of the husband as the sole breadwinner and wife as economically dependent domestic worker did endure into the 1970s when only 26 per cent of married women were in full-time paid work (Department of Statistics 1993b:38-39). It was not surprising, therefore, that similar roles and identities were also evident in explanations by the younger cohort indicating the persistence of strong male breadwinner norms.

Responses by the younger cohort households indicated that male breadwinner roles continued to be adopted as natural after marriage or partnership formation. When Mark and Bernadette Mills married in 1983, Mark was working 30 hours per week as a kitchen hand and Bernadette as a nurse. Despite working in a less than full-time job, Bernadette Mills asserted, "When we got married, he was the main breadwinner!" She went on to explain, "It is socialisation". The taken for granted assumption of roles was also evident in James and Sarah Adams' comments. When asked why they had adopted male breadwinner roles Sarah Adams said, "It's just the way it worked out - we didn't really sit and plan it or anything". James Adams' comments also indicate the extent to which their families were the vehicles for the transmission of these norms. He explained:

I was quite happy with Sarah not working because my mother never worked, and that was just the way I saw things - Dad was the breadwinner and the woman stayed at home.

Joanne and Dennis Parker's explanation suggests that the strength with which they embraced these roles was linked to the particular conservative social group to which they belonged, as well as their family background. She said:

I would say partly it was ... from our religious heritage - you know, that the woman's place is in the home. But I don't think that any more. ...I think it was because I had been raised that way - I mean, I haven't become the complete opposite, but I think there are more options than I used to [recognise].

Joanne and Dennis were members of the Brethren Church. Roles, as defined by the particular beliefs of that sub-group, were given as a primary reason for their labour supply activity after 1982. Joanne's comment that there were now more "options" indicates that in the past decade the religious reasons for the adoption of those roles had dissipated. This may suggest developments either in that particular social group, or the influence of a broader change in social norms around household labour supply. Given that the number of married women in full-time work had increased to 46 per cent by 1991, it would appear that a broader change in social norms had occurred (Department of Statistics 1993b:39).

MARRIAGE, CHILDBIRTH AND HOUSEHOLD LABOUR SUPPLY ACTIVITY

It was apparent, then, that there were strong continuities in the influence of the male breadwinner culture. It was at the point of marriage or partnership formation that the influence of those norms within these selected households began to exert their influence. Women, for example, are least likely to participate in paid work at the birth of the first child (Horsfield 1988:7). When this life stage event was examined closely, certain changes were noted. Table 6.1 summarises the labour supply activity of the households at marriage/partnership formation and the birth of the first child.

Marriage and Childbirth in the Older Cohort

In the strong male breadwinner regime of the mid-century, marriage and childbirth were similar life-cycle stage events. The explanations by the older cohort of this activity pointed to several shared attitudes and concerns that surrounded this life-cycle stage. They included common expectations of the stage in the marriage when the first child

should be born, the normative child-bearing age for women, contraceptive practices, and the strategy of the household as a unit in the establishment of the male as the breadwinner.

Members of the older cohort group reported they were expected to have their first child soon after marrying, and all (except for Joy and Mike Cook) did so within the next two years. Ann Malone, when describing what was important in deciding when to have children, said that paid work never came into the decision. She explained the normative steps towards marriage and childbirth:

Well in those days, ... you were young, you went out dancing, you went to the pictures, you had a boyfriend, you went out for a while, you got engaged, I mean, everything was a build-up, you got married and you were expected to have children. There were contraceptives, but nothing very much at that stage - a condom doesn't always do a lot for it - in fact, one didn't even really talk of those things. ... But I mean, when you married, it was sort of the unsaid thing - you had children. ... Those sort of things were spoken of, and you had a child, usually in the first 12 months.

Ann, with two children from her first marriage, married her second husband (Jim) in 1965. At that stage she was 34 years of age and her comment indicated that she was past the normative child-bearing age.

By the time Jim and I were married it was a case of get a bloody wriggle on or else you are too old, I mean I really consider we were too old even as it was. And I mean these women that are waiting till their late thirties and forties are bliming mad.

The same attitudes towards marriage, childbirth and the appropriate age for child-bearing were apparent in comments made by other older cohort members. Their attitudes and their activity (excepting the later child-bearing of Ann Malone) were therefore consistent with the national fertility trends of early marriage and early child-bearing (Economic and Social Commission for Asia and the Pacific 1985:159).

Noeleen Fraser, referring to her marriage to Ken in 1960 as a 21 year old, and the birth of her first daughter in 1961 when she was 22, commented, "We didn't get married all that early, and at that time ... you were almost expected to have your family straight away". Shirley Bassett described how she was prompted by her doctor to have a child

soon after marrying in 1969 and left full-time work after becoming pregnant in 1970. "I was told, 'you have to now, because you're 27 - you're getting too long in the tooth' - that's what my doctor told me".

As Ann Malone's comments indicate, normative expectations to have children soon after marriage were also linked to the unavailability or non-use of contraception (cf Department of Statistics 1993b:43). Margaret Young described the impact of this as forcing her to leave full-time work earlier than she had wished, limiting her employment aspirations after marriage.

Well, when we first got married we thought I would work a while until we had children, but of course - I just had [my eldest daughter] - I wasn't working very long, so we really didn't plan anything - we just sort of got married and didn't think about it really. It wasn't a big thing in those days. ... We just got married and we had hoped that I could work for a while, but we bought Dan's father's house off him, so we started off quite well didn't we - you know, we didn't rent a little flat or something like that, we had bought our own home right from being married, so it wasn't a big thing when I found I was pregnant, I just sort of thought, Oh well, it's a pity I couldn't have worked a bit longer, and then, because we didn't use any contraception, so we just accepted children as they came along.

Margaret Young's account suggests that they "just let things happen" and, despite wishing to put off having children after marriage, that they were not "planners". Leaving aside questions of the impact of the availability or normative use of contraception,¹ the comments suggest that "just letting things happen" was possible in this regime (cf also Hakim 1995:438).

The comment by Margaret Young also suggests the connection they made between owning their own home before the birth of their first child and "starting off quite well". Home ownership before the arrival of their first child was therefore an aspiration of Dan and Margaret Young. A consequence of the tendency to have the first child soon after marriage, though, was that home ownership was not always achieved prior to the birth of the child. When it did occur after the birth of a child, the cost of doing so was borne by the sole income of the male (see Chapter 9).

¹ See Trlin and Perry (1981) for a discussion of this.

TABLE 6.1
MARRIAGE, CHILDBIRTH AND
HOUSEHOLD LABOUR SUPPLY ACTIVITY

Household Surname	Year Married	Male LSA Change at Marriage	Female LSA Change at Marriage	Years from Marriage to First Born	Male LSA Change at First Child Birth	Female LSA Change at First Child Birth
<u>OLDER COHORT</u>						
Malone	1965	C-FT to FT	NC-F/H WK	1 (1966)	NC	NC
Cook	1963	NC-FT	NC-FT	7 (1970)	NC	C-F/H WK
Fraser	1960	NC-FT	C-FT to F/H WK	1 (1961)	NC	NC
Wood	1969	NC-FT	C-FT to F/H WK	1 (1970)	NC	NC
Wilson	1960	C-FT to FT	C-FT to FT	1 (1961)	NC	C-F/H WK
Bassett	1969	NC-FT	C-FT to FT	2 (1971)	NC	C-F/H WK
Young	1962	NC-FT	NC-FT	1 (1961)	NC	C-F/H WK
Price	1965	C-FT to FT	NC-FT	1 (1966)	NC	C-F/H WK
<u>YOUNGER COHORT</u>						
Foster	1978	NC-FT	NC-FT	4 (1982)	NC	C-F/H WK + PT
Parker	1978	C-FT to FT	C-FT to FT	5 (1983)	NC	C-F/H WK
Sykes	1984	NC-FT	NC-FT	6 (1990)	NC	C-F/H WK + Cas
Mills	1983	NC-FT	C- FT to PT	3 (1986)	NC	C-F/H WK + PT
Adams	1978	NC-FT	NC-FT	7 (1985)	NC	C-F/H WK + PT

C = change; NC = no change; FT = full-time; PT = part-time; F/H WK = family/house work; Cas = casual; LSA = labour supply activity.

Part-time and casual jobs are noted in right hand column if they occurred within one year of first child born.

Female labour supply activity in the older cohort in the first years after marriage was also explained as having the objective of assisting the establishment of the male as the household breadwinner. Noeleen Fraser's reason for withdrawing from teaching after marrying in 1960 was to "be there" to support Ken as the male breadwinner.

Ken was on call 24 hours a day, and I didn't want to leave him. I liked to be home when he came home late, or whatever it was. I liked to be there with a meal and all that sort of thing.

That support, then, involved the provision of domestic services - the provision of meals, and laundry and cleaning services. It would appear that Noeleen chose a home-making and motherhood 'career' after marrying, although (see Chapter 7) another important factor in her decision was her inability to find a teaching job in close proximity to their home and the place of Ken's work. She did, though, as the above quote suggests, explicitly link her withdrawal from paid employment to her role in supporting Ken as the breadwinner.

Barbara Price's activity in establishing her husband, Richard, as the breadwinner also involved withdrawing from a full-time teaching job. In 1965 she left her job as a teacher in Dannevirke to travel with Richard to Hamilton where he had a job with improved promotion prospects. As Briar (1992:55) suggests, women find it more difficult to gain another job after re-locating, and Barbara did not find work in Hamilton. She withdrew from the labour market altogether between 1965 and 1977. The assumption of the breadwinner role by Richard Price, then, was complemented by the domestic activity of Barbara at the expense of her own career. This activity was common in other older cohort households with most women moving into full-time family and house work in the first year after marriage. As a household labour supply strategy in the mid-century, this activity was strongly defined by male breadwinner norms with marriage and the bearing of children regarded as the appropriate form of employment for women (Swain 1979; Rankin 1990:91).

Marriage and Childbirth in the Younger Cohort

Similar processes continued to be evident in the younger cohort where the male's career path was given precedence over the female's. Dennis and Joanne Parker were both qualified teachers when they married in 1978. After marrying, however, Joanne Parker left her full-time job in Pahiatua and moved to Palmerston North where Dennis Parker worked. Provisions in the terms of her job with the Department of Education provided for her relocating if she married, indicating the acceptance in the labour demand context of the priority given to males' jobs. When asked why she chose to move, she said:

I don't know - I suppose it was just a traditional thing to do in those days - you put the man/husband first - and plus, he would have been a bigger earner - and the fact that his job would probably have been more long-term than mine. I don't think we ever thought about going my way rather than coming his way.

The female's job change was a means of supporting the establishment of the male in the breadwinner role. As well as being the "traditional thing to do", an explanation emphasising household labour supply norms, Joanne Parker also noted the higher earning potential and the longer term prospects of Dennis Parker's career. In so doing, she indicated a practical, common knowledge of the advantaged position of men in the labour demand context.

However, despite Dennis Parker's career path taking precedence, his household differed from those in the older cohort as both partners remained in full-time work for a longer period after marriage. Table 6.1 indicates that the younger cohort women continued working full-time for what was an average of five years after partnership formation. There was not the same expectation to have children immediately after marriage and the advent of accessible contraception had allowed child-bearing to be delayed (Department of Statistics 1993b:43, 137; Pool and Sceats 1981).² Responses indicate that the timing

² See Trlin and Perry (1981) and Economic and Social Commission for Asia and the Pacific (1985:189) for reference to the growing use of increasingly effective contraception through the 1970s.

of the birth of the first child was linked to several considerations which affected the labour supply activity of women.

First, childbirth was held off until the husband was established in a job that would allow the fulfilment of the breadwinner role. With unemployment beginning to increase from the late-1970s it could be inferred that it was not as easy for the younger cohort males to assume that role as it had been for their older counterparts. With the demise of the wage earner model, males were not guaranteed a permanent job or an adequate income. In fact the younger cohort work histories suggest the pattern of "job grazing" by males in their early working life extended into the first few years after marriage. Younger cohort female support for the male as the breadwinner in the early years after marriage, therefore, differed from that activity in the older cohort as it involved deferring childbirth until the male was established in a breadwinning job.

Grant and Dianne Sykes's case exemplified this. Dianne Sykes stated that the security of Grant's work and his ability to provide a stable income was most important in the timing of the birth of their first child. Grant Sykes's early working life between 1978 and 1983 had been characterised by intermittent periods of employment in low skill labouring jobs, and spells out of work on the unemployment benefit and accident compensation. With limited labour market opportunity, the pattern continued after his marriage in 1983. Between 1983 and 1986 he had five short-term, semi-skilled jobs, before accepting what he described as a low status and poorly paying, but securely tenured job with a regional government service. He reported being under pressure from Dianne to find a securely tenured job that would enable him to become the sole household breadwinner. It was four years later, when Grant had the promise of improving wages with the same employer, that Dianne Sykes left her job to have her first child.

The second consideration evident in decisions by younger cohort households to delay the birth of the first child concerned the purchase of the family house. Carmichael (1979:251) referred to this as "the development of a norm which today sees women sharing the financial burden of home acquisition in the early stages of marriage". The

experience of the younger cohort indicated that for these households, home ownership could only be achieved by both partners remaining in full-time work for a longer period after marriage or partnership formation. Furthermore, comments by Grant Sykes implied that a sole male income had become an inadequate means for purchasing a house when he reported that, "nowadays", those who had children prior to buying their own home never seemed to "get ahead". All respondents in the younger cohort owned their own home prior to the birth of their first child. Janice Foster commented: "We just thought we **had** to have a house before we had [our first daughter]". While representative of the prevailing view that home ownership was an accepted rite of passage towards established familyhood (cf Ferguson 1994:234), Janice Foster's comment emphasised the growing importance that the younger cohort households placed on achieving home ownership prior to the arrival of children. Their comments also suggest that there may be a linkage between the practice of deferring childbirth until the house had been purchased.

The third consideration that was mentioned as important in the timing of the birth of the first child was the completion of career training obligations. Joanne Parker recounted how she ensured she had completed her practical training and had worked out her bond to the Department of Education before having her first child. She explained that "after that we were open to having them". For an increasing number of women, education was becoming a larger life-cycle stage, to be completed before launching a career (in work, marriage or family) (O'Neill 1979:137). Joanne's delaying of childbirth in order to complete a qualification mirrored that trend of increasing female participation in tertiary education from the 1970s (Department of Statistics 1993b:76).

Joanne Parker also referred to her age, indicating a fourth consideration. She commented, "We weren't young parents - I was 27 when I had [my eldest son]", reflecting that the ideal child-bearing age had crept from the early twenties, in the older cohort, to the mid to late twenties in the younger cohort (Horsfield 1988:7; Department of Statistics 1993b:44). The age of male partners was also a factor. Sarah and James Adams, for example, noted that both of their ages were a factor in their decision about the timing of when to have children. When asked why they had their children when they did, Sarah Adams said:

It just seemed a good time to have them - and before I got too old. I didn't want to have kids too late in life - and James was getting older, because he is eight years older than I am.

The preceding discussion lists factors evident in decisions by both partners in younger cohort households to remain in full-time work for an average of five years after household formation. The practice had its own effect in terms of normative outcomes. These included the establishment of a norm of female economic independence after marriage and the establishment of an identity outside of the role of family and house worker - what O'Neill (1979:139) refers to as alterations to "the woman's role definition and self-perception". Bernadette Mills's comments, for example, indicate that earning her own money had become essential for her own sense of economic independence. She commented, "I've always worked, but that's for personal satisfaction, I suppose, as well as extra money - I mean, it's something - I would go mad with no money". Her expectation of an independent income, earned by returning to paid work more quickly after childbirth and in between children, does mirror the trend of the relative improvement in the income position of women between 1981 and 1991 (Department of Statistics 1993b:110).

Bernadette Mills also implied that she obtained non-material benefits from paid work in terms of personal identity:

It's a separate identity - you stay home and your self-esteem goes down, ... I like to go to work, I like to contribute to something, and I like to feel that I'm good at what I do, and you get recognition for that by being paid for it. When you are home all the time you sort of lose all that - you just get so wrapped up into that small little world that you lose it all - and your self-esteem goes down. I think it's because it's not seen as worthwhile - what you're doing, I mean, they chopped our family benefit - and you don't even get paid for it.

The personal identity the younger cohort women established while in full-time work was threatened when they left to have children. Sarah Adams linked a feeling of strangeness with the loss of the social network and the meanings associated with that network when she left her job.

... You do miss the workforce though. You know, you meet people that you worked with, and you feel ... like you've got a circle around you - you feel different - and you do miss the workforce. I'm not sure what it is you miss - I think it's the companionship, the buddyness - talking with them, being

with them. ... You just feel really quite strange - I felt really different - and I've met reps that I have seen - and 'oh, hello Sarah Adams, how are you' [in a restrained tone], and they don't really want to know me, and I think, do I smell or something. You just feel quite different out of the workforce, and even in the job I'm in now [as a home care aide], it's still not the same as being in, like a shop environment, or even with a group of staff - it's really different.

Such references to the contribution of paid employment to a personally satisfying sense of identity were also evident in comments made by the older cohort women. They also noted similar reasons for re-entering paid employment after child-bearing. Shirley Bassett reported gaining a sense of identity from her nursing work that could not be attained from her domestic role, and Sue Wilson reported returning to paid employment as a way of maintaining her own "individuality".

Younger cohort females also established an identity as economic contributors to the household, as a consequence of their remaining in full-time work for longer after marriage, and did not tend to see themselves as economically dependent. The norm of female contribution to the household finances was therefore established. Sarah Adams's reasons for returning to paid work once her youngest daughter began attending pre-school implied these reasons. Sarah had worked full-time from 1976 up until 1985 when she left to have her first child. In 1990 she found a job as a home-care aide in order to satisfy her sense of responsibility to bring income into the household. She commented: "I sort of felt, a bit, that the old man's out getting the money and here I am, up town!".

FEMALE PART-TIME WORK AFTER CHILDBIRTH

As Table 6.2 records, when women did return to paid work after child-bearing, it tended to be into part-time or casual jobs.³ This was often intermittent. The pattern was

³ Sue Wilson was the only woman in the sample to return to full-time work with pre-school aged children. She did so for eight months when her first-born was two years of age, and explained that it was possible only because of the close proximity of her mother-in-law who provided the child care.

consistent across cohorts and, therefore, across historical periods. The younger cohort did tend to return to paid employment sooner after the birth of the first child. However, apart from the case of Ann Malone and Noeleen Fraser, there was no real difference between cohorts in the period between the birth of the youngest child and returning to part-time or casual employment.⁴

While instances of this type of work mirrored both labour demand and labour supply contexts (Carmichael 1979:200-221), the work history data was biased towards illuminating part-time and casual work from within the context of the household. The work history data indicated that the "preference" by women in these households for part-time and casual jobs was linked to several factors: their role as primary care-givers within the household; the absence of alternative institutionalised arrangements for child care; and the nature of the available jobs.

There was a clear linkage between the role of women as the primary care-givers in the households and female part-time and casual work after childbirth (see Craig 1992:107; cf also Arber and Ginn 1995). The role of primary care-giver was accepted in all of the households as lying with the mother. The "preference" for part-time or casual hours was therefore linked to the constraints placed upon the women by prevailing child care norms, as covered in the discussion on: i)the normative basis for the adoption of male breadwinner roles; and ii)women and the domestic work role.)

The normative practice of working either part-time or casually after childbirth also mirrored the absence of alternative institutional arrangements for child care. While the absence of affordable child care facilities has been recognised as an important barrier to participation by women in full-time employment (Horsfield 1988:224-225), the preference for part-time and casual work mirrored a strong cultural resistance to the use of creches or other forms of non-family child care (Kell Easting 1992). Shirley Bassett,

⁴ As noted earlier, Ann Malone's early aspirations of working as a botanist were quashed when she was called upon at age 15 to run the house for her widowed father. Once married herself, she continued in the same role. Noeleen Fraser did not return to paid work until her youngest daughter began attending intermediate school.

for example, when explaining why she did not use child care services to maintain her career as a midwife, commented:

[I] never believed in them. I don't want someone else putting funny ideas into my kid's heads. They were my responsibility - I had them - it was my responsibility to rear them. ... My first priority was to be their mother.

This negative view towards using non-family child care services was also evident in Janice Foster's comment that she "did not have children to palm them off onto someone else".

Part-time or casual hours continued to be chosen by women after children reached school age in order to allow them to continue to meet the care work role. Shirley Bassett described that nursing on a casual basis - often at night - ensured she was available to provide child care. She explained that the flexible nature of the casual hours provided a degree of control over when she worked which enabled her to maintain her care-giver role:

I chose the time when I worked - I never left the children - no matter what happened - if they were at school, I would come home and get their breakfast and cut their lunches and send them off to school - and I'd go to bed - and when I'd get up they would be coming home - and if they were sick, they climbed in beside me. They were never without Mum.

Sarah Adams, too, commented that she preferred part-time to full-time hours as they fitted with the child care demands of school-age children.

I don't really want to do full-time work ... mainly because of the kids - I like to be home by three for the kids, [and to see them off to school]. I don't think I would like to work till five, at least until they are in intermediate. I just think they sort of need you there, and I feel guilty enough sort of going through the day.

She added that an advantage of part-time work was that, "if something comes up at school, like a function of some sort, you can squeeze an hour out of your day to go and do it". It was clear that part-time work was "preferred" within the context of the time demands women faced given their normatively prescribed caring responsibilities (cf also Hakim 1995; and Ginn et al 1996).

TABLE 6.2
TIME ARRANGEMENTS OF FIRST JOB AFTER CHILDBIRTH AND YEARS
BETWEEN BIRTH OF CHILDREN (FIRST AND LAST) AND PAID WORK

Household Surname	Year first child born	Female labour supply activity change	Years between first child and paid work	First job returned to	Year last child born	Years between last child and paid work
<u>OLDER COHORT</u>						
Malone	1957	NC F/H WK	31	Cas	1966	22
Cook	1970	C FT to F/H WK	4	PT	1973	1
Fraser	1961	NC F/H WK	13	Cas	1963	11
Wood	1970	C FT to F/H WK	5	PT	1972	3
Wilson	1961	C FT to F/H WK	2	FT	1967	1
Bassett	1971	C FT to F/H WK	1	PT	1975	0
Young	1963	C FT to F/H WK	1	SE - PT	1971	0
Price	1966	C FT to F/H WK	11	Cas	1972	5
<u>YOUNGER COHORT</u>						
Foster	1982	C FT to F/H WK	0	PT	1988	0
Parker	1982	C TFT to F/H WK	10	PT	1988	4
Sykes	1990	C FT to F/H WK	0	Cas	1993	0
Mills	1986	C PT to F/H WK	0	PT	1990	0
Adams	1985	C FT to F/H WK	0	PT	1987	3

C = change; NC = no change; F/H WK = family and house work; Cas = casual;
 PT = part-time; FT = full-time; SE = self employment; TFT = temporary full-time.

When alternative child care was required, family members tended to be preferred as care-givers. Part-time or casual hours, worked outside of the standard full-time job hours allowed for the coordination of child care within the household. This was evident in both cohort groups. In the older cohort, Len Bassett and Nigel Wilson, for example, were both available to provide the child care in their respective households while their wives worked as night or weekend nurses. The higher proportion of younger cohort women who worked part-time or casually while they had pre-school children meant there was a greater likelihood younger cohort males would be required to provide child care, albeit often at nights when children were in bed. Alan Foster, for example, provided child care while his wife worked nights and weekends as a supermarket shelf-stacker or shop assistant; Mark Mills provided child care while his wife worked weekend shifts as a nurse; and Grant Sykes would coordinate his shift-work to be available to provide child care when Dianne worked on race days as a totalisator operator for the local racing club. The increasing propensity for fathers to provide child care while their wives worked part-time may well reflect the "decline in role differentiation" that Saville-Smith et al (1994:39-45) identify as having occurred.

In the absence of affordable alternative institutional arrangements, when child care was not provided by family members, it was done so through the informal economy. Prior to 1993, Bernadette Mills, too, had been able to organise her part-time and casual nursing hours at times when Mark Mills was available to provide child care. After 1993 Bernadette became a full-time student and, at the time of the interviews, was paying a neighbour to look after the children. She explained: "My child minder is on the DPB, so any money I gave her [was cash] - a set amount - I didn't declare it and she didn't declare it". They had previously used a subsidised creche, but they had lost the subsidy.

Tessa was at the creche for 18 months - when I was at Polytech - it was on Church St - we had a child care subsidy from social welfare, initially, but once Mark had pay increases, and with my part-time earnings and student allowance - we lost it ... and then I decided that after I lost that subsidy that it was ridiculous to be paying \$160 - so we got Tessa into kindergarten, and [we now pay the child minder \$100 to look after Tessa in the afternoons and the other children before and after school].

Family members therefore provided child care or, given the absence of an affordable alternative, the work was provided in the informal economy. The incidence of informal

economy child care was also evident in the older cohort in the work history of Sue Wilson, who, at the time of the interviews was beginning to provide full-time child care for her daughter's children on a similar undeclared basis. The experience of these households confirms Horsfield's (1988) findings that family and informal child care networks were more likely to be used by New Zealand households given the barrier of cost. Horsfield (1988:224) reported that:

Family based studies suggest that most women choose to care for their children themselves. ... When the mother is not present, a relative, neighbour or friend is most likely to care for children.

The availability of part-time or casual hours of work, a feature of the labour demand context, was also important in decisions by women to return to paid work. Where those hours of work were available, as they were to nurses, women did tend to return to work sooner. Sue Wilson, Shirley Bassett and Bernadette Mills were all nurses and had worked on a part-time and casual basis when their children were in their pre-school years. Denise Wood's comments seemed to indicate that it was the availability of hours of paid work which also allowed for the fulfilment of the domestic work role that was important in her return to paid work. She returned to part-time work in 1975 after she was offered hours that coincided with her younger son's attendance at kindergarten. She explained:

I hadn't planned to go back to work - and then I was asked to go back part-time when they started testing - and we hummed and haaed and we decided, yes, I would go part-time just to give us that extra bit of money.

With hours of work tailored to suit her availability, this was possible (cf Eldred-Grigg 1990:171).

However, the type of part-time and casual employment that was entered tended to suggest that the women were constrained to a narrow range of jobs that were an extension of the domestic work role (see Horsfield 1988:17-19). This mirrors the broader trends noted in Chapters 2 and 3 (noted also by Eldred-Grigg 1990:164). Female entry into feminised occupations was consistent across cohorts. A list of occupations entered after childbirth (Table 6.3) indicates the pattern.

Sarah Adams's description of her part-time job explicitly portrayed the domestic nature of that work. She was employed by the Mothers Helpers Association and described her work as closely linked to what she normally did in her own home:

[It's] care giving for the elderly or people that need home help - I mainly do it for the elderly ... it's quite different, because you go into someone's home, and you really feel more like a friend visiting someone, so that's really quite a different line of work.

FULL-TIME WORKING PARTNERS AND MALE BREADWINNER NORMS

In the younger cohort both partners worked full-time for an average of five years after marriage or partnership formation. Although there was evidence that this established a norm of female economic independence and of female contribution to the household income, contributing to an earlier return to paid employment after childbirth, labour supply patterns following the birth of the first child in these households continued to resemble the male breadwinner model. And, as noted, the males' careers had tended to be favoured while both partners had been working full-time. This took the form of preference given to their jobs in terms of where the household lived and in support in establishing the male in a job that would allow him to fulfil the role of the dominant earner. In this household type this could be seen as a rational strategy given the norm of the greater earning potential of males and the expectation that theirs was the longer term employment career.

In several of the older cohort households, women were only engaged in part-time work throughout their child-bearing and early child-rearing years before returning to full-time work. In two of these, both partners had worked full-time from the mid-to-late 1970s soon after the youngest child had begun to attend school. However, male breadwinner norms persisted in these households in terms of the continuing female responsibility for domestic work, the absence or frustration of women's careerist objectives, and in the preference given to men's jobs in terms of where the household lived.

TABLE 6.3
OCCUPATIONS OF FEMALES AFTER MARRIAGE

Household Surname	Occupations
<u>OLDER COHORT</u>	
Malone	Exam supervisor.
Cook	Cleaner, house parent/social worker, teacher aide, home care attendant.
Fraser	Teacher, tea attendant, home crafts.
Wood	Laboratory assistant, cook.
Wilson	Office worker, shop assistant, nurse, matron, cleaner, child carer.
Bassett	Nurse.
Young	Shop assistant.
Price	Teacher, dispatch assistant.
<u>YOUNGER COHORT</u>	
Foster	Shop assistant, cleaner, night shelf-stacker.
Parker	Teacher.
Sykes	Office worker, stable hand.
Mills	Nurse.
Adams	Night shelf-stacker, home-care attendant.

Denise Wood was offered the opportunity to increase her hours of work from part-time to full-time in 1977 when her younger son began attending primary school. She did so and returned to full-time work for the farm animal advisory agency, remaining in the job until 1991. Throughout that period she maintained responsibility for the running of the house, although some of the work was shared around the family. She commented, "Geoff mainly did outside work ... I'd take over and do the house, and that, - it was a fairly busy life".

Sue Wilson returned to full-time work in 1974 when her youngest child was aged seven, but a clear demarcation of roles was maintained within the household. Sue retained responsibility for the house and family work and explained: "I used to go out to work - and when I came home ... my way of unwinding was to do all the housework - the washing - everything - and that relaxed me". The domestic work extended to maintenance outside of the house as well.

I used to get out and do everything - the garden, everything. ... I used to paint, and do things. Nigel was never very interested. He liked reading and keeping up with the news.

This sounded extreme and it was apparent in the interview that in retrospect Sue Wilson had resented their earlier working patterns. She explained that the domestic work was a necessary price she was prepared to pay in the pursuit of the independence full-time work offered.

I've been trying to keep my independence - I'm getting out to work - go, go, go. I like to keep my individual rights, my independent individual rights - what I wanted to do, as well as my home life, husband and family - I like to keep my complete individuality.

The male's job continued to be preferred in relation to the female's job in households with full-time working partners, indicating the persistence of male breadwinner norms. Nigel and Sue Wilson's case, where there was a very clear demarcation of roles, despite them both working full-time, provides an example. Nigel Wilson noted that his job changes, requiring household relocation in 1978 and in 1981, were in the pursuit of "better prospects" for his career. There were also household moves in 1990 and 1992 that were for Nigel's job. Each of these moves was damaging to Sue Wilson's nursing career, requiring her to leave established positions to start afresh in a new centre. Sue explained the effect:

Every time I seem to get to the top, he'd take off and shift and want to go somewhere else - and in the finish I got to the stage where I thought, oh well, that's it, I'm not doing it any more - I just gave up.

Sue was referring to her withdrawal from full-time work in 1994 when she said, "I just gave up". On that occasion, Nigel had been forced to resign from his job in Wellington on account of poor health and they had moved to Palmerston North. The economically

rational option would have been for Sue to continue working in her full-time job in Wellington, but she had left this at Nigel's bidding in order to avoid jeopardising his eligibility for the sickness benefit - as she explained, "Well, it was Nigel's idea actually". The sickness benefit allowed Nigel to continue in his household breadwinning role, provided Sue's earnings were below the means-tested limit. Their actions were consistent with other studies which note the higher tendency of wives of unemployed men to not be employed themselves (cf McLaughlin et al 1989; Morris 1990:22ff). In this instance, the challenge to Nigel's status as breadwinner that occurred through his unemployment was intensified by Sue's earning. The sickness benefit was less than what Sue had been earning in her own full-time job, but normatively defined breadwinner roles continued to be more important in shaping their activity.

The continuing influence of the male breadwinner culture could also be observed in an instance when, following the unemployment of the male breadwinner, the female adopted the primary earning role. In Dan and Margaret Young's case, following Dan's redundancy in 1991, strong male breadwinner attitudes persisted despite Margaret Young's earnings becoming the stable source of household income. Following his redundancy, Dan had a series of insecurely tenured and poorly paying jobs, while Margaret increased her hours of work from half-time to full-time. Despite the greater security of income she provided, Margaret Young was concerned to affirm Dan as the main breadwinner during the interviews. Referring to his re-employment in a longer-term job in 1992, the earnings from which were equal with hers, but somewhat more erratic, Margaret said, "I suppose I think that I'm not the breadwinner because now Dan is bringing in the main wage". Her comment implied continuing support for Dan's male identity as the main breadwinner despite being an equal contributor to the household income. It was a means of protecting his status and ego as well as reinforcing his ongoing duty to provide an income (cf Morris 1990:139).

The function of "earnings dominance" by males has been noted by Arber and Ginn (1995) as the grounds upon which higher status and preference is given to the male's employment within households. Earnings dominance, in these instances in the Wilson's and Young's cases, could not be used to explain the preference given to males. It was

male breadwinner norms which continued to define the identities of male and female workers in this household type, even when they both worked full-time (cf Arber and Ginn 1995:26).

HOUSEHOLD FINANCES AND MALE BREADWINNER NORMS

The status given to the relative earnings of each partner and the approach to the control of household finances appeared to be an indicator of the strength of male breadwinner norms within households. Developments in these norms would therefore be suggested by changes in the status given to the earnings of partners and by varying patterns in the control of finances within the household across cohorts. This is based on the premise that the arrangements for the management of household finances are an indicator of the labour market position of household members - particularly, as Morris (1990:115) notes, in terms of "who earns, how much and in what form". It would follow that changes in arrangements for the management of finances are indicative of changes in the labour market position of household members. While there is a body of literature on the distribution of financial resources within the household and its relation to labour market experience (reviewed by Morris 1990:103ff), the concern here is with noting changes in approaches to that distribution over time.

The households' approaches to the management of finances and the roles adopted in undertaking the task of financial management, therefore, appear to provide a useful indication of the strength with which male breadwinner norms had influenced the labour supply activity. In terms of control and management of finances, responses from the sample indicate three main approaches that were persistent in households over time.

These were:

- i) a domestic allowance approach;
- ii) a shared control (with female management) approach; and

iii) a separate spheres of control approach.⁵

Stronger male breadwinner patterns persisted in the domestic allowance approach households in the older cohort. These patterns tended to be less powerful in households with shared control (with female management) or separate spheres of control, in both the older and younger cohorts. Table 6.4 summarises the key features of household management of finances.

Three households from the older cohort had a domestic allowance approach to household financial control (the Frasers, the Wilsons and the Bassetts). In each of these cases, the husbands controlled key decisions on spending and paid their wives an allowance for groceries while retaining other income for the payment of other household expenses. Female management of domestic spending appeared to be consistent with what Hareven (1990) has reported in her historical study of family strategies. She noted that "[e]ven within a 'patriarchal' family system, ... wives bore the major responsibility for decisions that were close to their roles and areas of concern" (Hareven 1990:235).

The wives in the households practising a domestic allowance approach to financial control did not see their husbands' unopened "pay-packet" (cf Morris 1990:112). Len Bassett described the way he ran their finances: "Shirley gets a cheque for the housekeeping each week, and she provides for the house, and if there is anything over, that's hers". He explained that he saw himself as having the natural business acumen to carry out the role, but as he was the main earner, their arrangement was also consistent with suggestions that the control of finances is determined by the relative income of partners (cf Arber and Ginn 1995:24). They adopted that approach at the beginning of their marriage and had maintained it over time. Shirley Bassett commented:

He told me right from the day we were married, 'you will never touch my cheque book'. ... He gave me a cheque each week [to buy groceries], and 'you've got to live within that!'

⁵ These approaches tend to coincide, respectively, with the allowance system, the joint management system, and the independent management system identified by Morris (1990:109).

TABLE 6.4
CONTROL OF FINANCES AS AN INDICATOR
OF MALE BREADWINNER VALUES

Household Surname	Domestic Allowance Approach	Shared Control and Female Managed	Separate Spheres of Control	Female Earnings Unnecessary	Female Earnings Necessary
<u>OLDER COHORT</u>					
Malone		X			
Cook				X	
Fraser	X			X	
Wood			X		X
Wilson	X				
Bassett	X			X	
Young			X		X
Price		X		X	
<u>YOUNGER COHORT</u>					
Foster		X			X
Parker		X			X
Sykes		X		X	
Mills		X			X
Adams		X			X

The same practice was evident in Ken and Noeleen Fraser's household where Noeleen's sphere of financial management within the household was limited to the allowance she was paid for groceries, while Ken maintained control over large items of expenditure. The perception in their household was that the male's income was his own, as Noeleen Fraser's explanation for having her cash/hobby work indicated: "I enjoy getting the money ... I think it all boils down to your independence ... I just don't like asking Bruce for money. It's his money". This mirrors the view that the earner had the right to dispose

of his income in his own way (cf Morris 1990:120-121). Male control of finances was explicitly linked to gendered norms in the dual earner Wilson household where Nigel Wilson controlled the finances. Sue Wilson gave her earnings to Nigel who "figured it all out". She asserted that in doing so, he expressed his male identity. When asked why they had done it that way, Sue Wilson explained: "Because he liked to be the boss - that was his way of showing his manhood".

The women in each of these households had also been engaged in paid employment. Their comments suggested that their employment was in part a response to the financial arrangements - as a means of supplementing the allowance for domestic spending, as a means of obtaining access to discretionary income and as a way of maintaining some form of independence. Their responses did not suggest that an independent income was sought to increase their authority or status in the home - rather the aim was to augment an inadequate allowance (cf Morris 1990:120). Shirley Bassett's comments, for example, indicated that Len was not in touch with the real household management costs and that the allowance tended to be inadequate. She explained: "I budgeted, and normally I used my money - if we wanted anything at all - if the kids wanted to go to the movies ... They would always come and see me". Her own paid work was a means of making up for the shortfall.

A related observation is that, at the time of their marriages, each of these women had a higher level of qualification than their husbands - two being trained nurses and one a trained teacher. This form of male control of household finances could be interpreted as a means by which the men attempted to maintain their higher status within the household. The strict adherence to male breadwinner roles, as indicated in Len Bassett's comments, ensured the protection of the male's status in the face of the threat of a more highly qualified female. In each household, too, over the years since their marriage the career attachment of these women was undermined and not one of the women was still employed in her area of training when interviewed. Rather, since being made redundant from a part-time tea attendant job in 1988, Noeleen Fraser has been dependent on her hobby work of knitting for personal cash. Bruce described it as, "Just a little extra for Mum". Sue Wilson was constrained to change her earning activity when Nigel's status

as the higher earner was undermined by his forced retirement in October 1994. She was working part-time as a cleaner and as a child-minder. Shirley Bassett had left her casual nursing job in 1991.

The partners in all of the younger cohort and four of the remaining older cohort households shared the control of their finances, while the females carried out day-to-day management. They tended to have equal access to their finances and shared joint responsibility (cf Morris 1990:112). The reason given for that arrangement was the greater knowledge the females had of the household spending needs given their domestic management role. Women, who were much closer to the management of household resources, made daily decisions about the family budget. James Adams explained that he turned over virtually all of his salary to Sarah Adams who "paid the bills and things like that". Joanne Parker did the household budgeting and the paying of bills, while Janice Foster ran her household, the responsibilities of which included the organisation of the household finances and payment of bills. Her management here extended to decisions about insurances, and long-term financial planning. Similarly, Dianne Sykes's and Bernadette Mills's responsibility for running the house extended to paying the bills and budgeting. Dan and Margaret Young had shared control of their finances. According to Dan, "all of our things have always been done as a partnership together, and so we have never had separate money". The partnership extended to responsibility for household accounts. When asked who paid the accounts, Dan said, "Oh either one - we both do. Like, you pay this and I pay that". In their household, where the income from Margaret's employment was considered essential for economic survival, and where Dan did not have earning dominance, a more egalitarian approach to the management of household finances had developed.

The absence of the domestic allowance system in the younger cohort could be taken to mirror the greater role younger cohort women played in managing the household finances, and this too could be linked to their longer period in full-time work after marriage and the establishment of the norm of female economic contribution to the household income. Alterations in the pattern of financial decision-making can, therefore,

be linked to the greater contribution these women made to their household income (O'Neill 1979:139).

Despite these arrangements for shared control, the income of women in the older cohort tended to be seen as secondary. There was a greater tendency for it to be described as non-essential or extra. For example, Joy Cook and Barbara Price, respectively, described their earnings as follows:

The money that I earn is not really for day-to-day living, only sometimes, it's basically savings for holiday money.

It gets us our luxuries - it pays for our holidays.

By contrast, in all of the younger cohort households, except for Grant and Dianne Sykes, the part-time earnings of female partners were described as having become increasingly necessary. Sarah Adams described her part-time earnings as necessary for the household.

To start with it was just sort of extra spending money, but now we're, I wouldn't say [always] dependent on it, but some weeks dependent on it. We would notice it if it wasn't there. I wouldn't go back to not being in work. If I left for anything, I would go for another job.

Dennis and Joanne Parker noted that her part-time earnings had also become increasingly necessary as the buying power of his salary had declined from when he started teaching in 1985. Since 1990 they had found that their income had less buying power and it had become increasingly obvious that they needed to supplement it with a second income. According to Joanne Parker:

It's really in the last three years that that has been a problem. ... In terms of supporting a family - it's not adequate. Over the last three years definitely [it has fallen]. ... I'd say we are at the stage now where I have to earn extra money ... to maintain a reasonable standard of living.

The different status given to the earnings of women in each cohort does suggest some fundamental change in the conceptions of breadwinner roles, with the earnings of women tending to become an essential part of household income in the younger cohort.

The two households in the older cohort where the earnings of female partners were considered as necessary, were also those where the husband and wife had separate

spheres of financial control. The separate spheres of control approach was adopted in Denise and Geoff Wood's household where both partners worked full-time. Denise had worked full-time between 1977 and 1991 and had become self-employed in 1994 to meet the household income requirements after Geoff's hours of work were cut back. Denise and Geoff had kept their incomes separate and had separate bank accounts. They had taken responsibility for the different aspects of household expenses in a way that reflected the roles they had. Denise explained:

Basically, [with] my wages, after I went back full-time, I did the grocery side ..., and Geoff did all the household bills [including things like insurances, rates, power and telephone.] ... We have never pooled our money. I've always had mine and he's always had his - we have always had separate bank accounts.

The Young's pattern of financial management had stemmed from the period where they had jointly owned their own grocery business (from 1964-1980) and their meat retail business (from 1980-1988). Throughout that period, Dan had paid for "the cars, the power, the rates and the insurances" through the business, while Margaret used their drawings for "the ordinary household running". While Dan commented that, "all of our things have always been done as a partnership together, and so we have never had separate money", they persisted with the allocation of financial responsibilities according to their domestic roles following the closure of their business in 1988. Margaret maintained her responsibility for domestic expenses, while Dan met other household costs.

The fact that it was two older cohort households who adopted the separate spheres of control approach was, to some extent, unexpected. It was the younger cohort who were more likely to adopt a separate spheres of financial control approach, given the attitudinal change where younger cohort women had come to place greater value on economic independence. None of the younger cohort women, however, was earning income from full-time employment at the time of the interviews. By contrast, both Denise Wood and Margaret Young were in full-time employment and their earnings were seen as essential to the ongoing solvency of the household. The propensity to adopt the separate spheres of control approach, therefore, can be taken to mirror both the earning

status of wives within the household and their level of economic contribution in relation to their husbands.

SUMMARY

The objective of this chapter has been to examine changes in the nexus between households and work in terms of the normative labour supply patterns of these households. By tracing these normative practices the aim, in relation to the broader objectives of the thesis, has been to note how patterns of household labour supply activity have been redefined by changes in welfare regime.

The work histories indicated that male breadwinner norms were automatically adopted at the point of household formation in both cohort groups - for the older cohort, this tended to be in the 1960s and early-1970s, for the younger cohort it tended to be in the early-1980s. Comments from the older cohort group revealed a common perception of gendered capacities by which women were naturally equipped for the provision of child care. That perception was mirrored in the notion that family stability was closely linked to female withdrawal from paid work for child-bearing and rearing. It was also mirrored in the construction of male responsibility as household providers and males continued to be primarily responsible for household income provision after the birth of the first child. Male identity was closely entwined in the role of breadwinner and in careers by which that role could be achieved. Males thus found it difficult to adopt the role of economic dependant if they were not breadwinners through, for example, episodes of unemployment. Younger cohort responses indicated the continuity of these norms.

It was apparent, then, that in the household type selected for this study, both men and women across cohorts held traditional sex-role attitudes. This may be an outcome of the sample selection criteria of the stereotypic nuclear family, and is consistent with the observation made by Hakim (1995:434) that women in this household type do not necessarily prefer or are not committed to careers in the labour market. There are, of

course, questions over the issue of "preference". But as this chapter argues, preferences do tend to be strongly and persistently defined by cultural norms.

Strong continuity across cohort groups and historical regimes was evident in the pattern of women returning to part-time or casual employment after childbirth. The main reasons that were reported were the influence of child care norms and the domestic work role. With child care provision, at both an institutional and normative level, remaining primarily in the realm of the family, female entry into paid work after the arrival of children was limited to those jobs that coincided with the availability of their partners to provide child care. Part-time hours were "preferred" given the domestic and family work role, and the absence of alternative institutionalised arrangements for child care. In the absence of alternative institutional arrangements for child care, the informal economy was preferred when care was needed. Another dimension of these was the tendency for women to be employed in a narrow sphere of jobs that were an extension of the domestic work role.

Male breadwinner norms also persisted in terms of the favoured position of the male's career or status within the household when both partners were working full-time. In the younger cohort this was to assist the establishment of the male in the primary earning role before child-bearing, and was linked to expectations about the longer term and (normally) higher earning potential he had. Those couples who both worked full-time in the older cohort maintained male breadwinner roles. Male breadwinner norms persisted in terms of the continuing female responsibility for domestic work, the absence of careerist objectives in women's work, and in the preference given to men's jobs in terms of where the household lived.

While there was an overall conformity to the male breadwinner model across cohorts, the analysis of labour supply behaviour at the point of marriage or partnership formation and childbirth did point to several notable differences. While marriage and birth of the first child tended to be similar life-cycle stage events for those in the older cohort, younger cohort women tended to remain in full-time work for significantly longer after marriage. Delaying childbirth gave a longer period for the male to become established

as the breadwinner and may be linked with the diminishing guarantee of a full-time, adequately paying job for male breadwinners. It was also apparent, though, that a longer period in full-time work by women after marriage had become necessary for the purchase of the family home. Younger cohort households depended on two full-time incomes to achieve house purchase prior to childbirth. House purchase can therefore be interpreted as requiring the financial contribution of both partners, and to that extent is associated with: the establishment of a norm of female economic independence after marriage; the establishment of a female identity outside of the role of family and house worker; and the establishment of the norm of female economic contribution to household income.

The other difference between cohort groups was in the status given to the earnings of female partners. Earnings by older cohort women were of secondary status in their households, with the exceptions of those who had become the primary earners when their male partners were out of work. In younger cohort households, though, earnings by women were described as necessary for the household suggesting a basic change in conceptions of the breadwinner role. Stronger male breadwinner patterns persisted in the financial arrangements of several households in the older cohort where wives were paid a domestic allowance. These patterns tended to be less powerful in households with shared control (with female management) or separate spheres of control. The propensity to adopt the separate spheres of control approach did tend to mirror the earning status of wives within the household and their level of economic contribution in relation to their husbands. With the greater dependence of younger cohort households on female earnings, and with the economic independence of the younger cohort women in the sample, it was apparent that the rigidity in role definition in male breadwinner households was diminishing.

The work histories have indicated that in many respects the distribution of work within the household has not changed from that of the male breadwinner model, but it has also emphasised and confirmed the growing dependency of households on the receipt of two incomes. The analysis has established the strong influence cultural factors have played in structuring patterns of labour supply within these households. It has noted, particularly

for women, where these outweigh a simple economically rational basis for labour supply. This recognition will provide a framework for the following exploration of the various strategies adopted by these households to meet their income needs in the two welfare regimes under study.

7

MOBILITY AND SKILL ACQUISITION ACROSS REGIMES

In this chapter the question of labour mobility across regimes is examined using the data obtained from the household life and work histories. While rhetoric in support of the shift to the liberal welfare regime emphasised the need for greater labour market flexibility (Treasury 1990:148), the Department of Statistics (1993a:68) noted an absence of data on mobility within the workplace - in terms of industrial, occupational and lateral mobility. The concern in this chapter is to consider the work histories in terms of the historically variable potential workers have had to change jobs, and the process by which workers become entrapped in labour market segments.

In undertaking such an analysis the strengths and limitations of the work history data need to be noted. Work history data has an in-built imperative towards answering questions of labour supply (Walby 1991:174). This incorporates factors considered relevant to household and individual labour supply, aspects of human capital such as the level of education and training, the site of skill acquisition, the life-cycle stage at which skills are acquired, subsequent labour market participation, and occupational mobility.

By contrast, information about the labour demand context is furnished more indirectly by the work history method. For example, the method does not furnish information about the processes by which the structuring of opportunities, or lack of them, in the labour demand context occurs. Walby (1991:169) does note, though, that the effects of labour market structuring are recorded in work histories. That is, work histories provide information on the implications for individuals of labour market structures, and of change in those structures. Bearing the above points in mind, this chapter endeavours to analyse both the factors of labour supply and the effects of labour demand structures on the participating households and their members.

PERSPECTIVES ON LABOUR MOBILITY AND SKILL ACQUISITION

Neoclassical labour supply theory extends the assumptions of investment theory into the sphere of human resources. The related human capital theory explains position in the labour market primarily in terms of the qualifications and work experience of workers (Schmidt 1993:187). It emphasises the role of individual workers in establishing their own labour market position by determining their own education and skills (Deeks et al 1994:131). Position in and earnings from the labour market is held to do no more than mirror the different outputs of participants - the cause of which is explained by variation in human capital, skills, experience and attachment to paid employment (Brosnan et al 1991:3).

The human capital approach implies the assumption of a single labour market. Over the long-term and in response to price signals, workers move out of occupations with declining demand for labour and retrain for new occupations with increasing employment opportunities. The opportunity for mobility presumes a homogenous labour market divided merely by the substitutability of different technical skills and competencies (Marsden 1986:141). In such an environment, education and skill acquisition are the primary means by which rational individual labour suppliers can enhance their earning capacity.

Since the late-1980s, this type of view has been dominant in defining changes in the way education and training services are delivered in New Zealand. With education defined as a private good, the dominant view is that it is consumed in a way analogous to other investment commodities. As Kelsey (1995:220) asserts, one of the primary objectives of the restructuring in the education sector that occurred through the late-1980s and early-1990s, was to implement "a deregulated, artificially constructed education market, where education was a commodity subjected to the rigours of supply and demand".¹

Segmented labour market theories counter the above approach and posit instead the existence of barriers to mobility within one large labour market.² These barriers are characterised by terms such as segmentation, duality, insider-outsider and internal labour markets (Adnett 1989:25; Savage 1989:10). The segmentation tradition stresses the social and institutional origins of divisions in the labour market. The existence of "institutional rigidities, social conventions, restrictive practices and pay rates fixed on the basis of custom and social esteem" (Deeks et al 1994:131) are identified as part of the complex of factors influencing the demand and also the supply of labour. In the study of labour market segmentation, emphasis does tend to be given to demand side factors and the creation of labour market rigidities rather than to issues of labour supply (Brosnan et al 1991:5; Deeks et al 1994:131; see also Bowie 1983; Savage 1989). Opportunities for labour supply, though, are defined within the distinct labour market segments within which workers are situated. Furthermore, the types of opportunities available for skill acquisition are also defined within labour segments. Finally, the segmentation tradition tends to assert that education and training have limited efficacy in achieving mobility between these institutionalised segments (Brosnan et al 1991:6).

Esping-Andersen's (1990) argument about the existence of welfare state and labour market regimes asserts that distinctive types of labour market segmentation coincide with

¹ Kelsey (1995:220) also notes that there were other contradictory objectives, namely: i) community participation based on effective input into policy, operations and resourcing; and ii) the development of a high skill, technologically proficient population.

² Bowie (1983), Savage (1989) and Brosnan et al (1991:4-7) each provide a brief review of developments in segmentation theories.

different types of welfare states (see also Ginsberg 1992:72). The implication is that new patterns of labour market segmentation are likely to emerge as a consequence of the implementation of a new welfare regime. Furthermore, if opportunities for education and training are defined by the particular labour market segment workers find themselves in, there will be implications for the skill acquisition opportunities of household members (see also Brosnan et al 1991:9).

While there are a range of typologies of labour market segments (see Adnett 1989), Marsden's (1986:233) classification of "occupational labour markets for transferable skills, internal labour markets for non-transferable skills, and unskilled or casual labour markets" will be used for this discussion. The concern here is not so much with the label of each segment, but with the different opportunities for mobility and procedures for the attainment of skills. The site of that training, be it in formal education, in the workplace, or both, will also be framed by the institutionalised practices of that segment. Other supply side factors of household context and life-cycle stage will also frame the access of workers to opportunities for skill acquisition (see also Brosnan et al 1991:7).

The work histories of the households participating in this study provide for a historical comparison of the effects of changes in the opportunities for mobility and the acquisition of skills. They provide information on the effects of the changing opportunities for individuals presented by structural change in the labour market. As all of the respondents had left school and were in jobs prior to 1984, the data provides for a comparison of the effects of developments in ongoing "workplace" training. The emphasis will therefore be on the different labour market segments the respondents found themselves in and the opportunities for mobility and skill acquisition in each of these. The comparative view is concerned with developments in the configurations of a segmented workplace environment that coincide with the shift in welfare regimes and the impact on the opportunities for skill acquisition by the respondents.

MOBILITY AND SKILL ACQUISITION IN THE WAGE EARNER REGIME

In Tables 7.1 and 7.2 the initial workplace training provided to workers on their entry into the labour market is listed. These are arranged according to Marsden's (1986)

TABLE 7.1
WORKPLACE TRAINING INITIALLY
AVAILABLE TO MALE RESPONDENTS

Labour Market Type	Male Respondents
Occupational labour markets with transferable skills.	Dennis Parker - secondary teacher trained. Mike Cook - printing apprenticeship. Ken Fraser - electrician apprenticeship. Nigel Wilson - cinema projectionist apprenticeship. Dan Young - fitter/welder apprenticeship. Richard Price - motor mechanic apprenticeship. Mark Mills - art and design (did not complete). Jim Malone - telephone operator (later gained skills as an engine reconditioner). Alan Foster - tree planter (later completed a carpentry apprenticeship).
Internal labour markets with non-transferable skills.	Geoff Wood - dairy herd testing/improvement. Len Bassett - secretary/clerk.
Semi-skilled and casual labour markets.	Grant Sykes - roofer (later completed water-treatment plant operator certificate). James Adams - stores worker (later completed embalming course).

occupational, internal and casual labour market segments. The outline indicates that most workers entered jobs where they received workplace training. The workplace training

was either through apprenticeships or other specific tutelage with a recognised qualification, or more generalised on-the-job training.

Four of the respondents completed tertiary teacher training courses. Mark Mills began a tertiary art and design course, but did not complete it. Two males from the younger cohort entered unskilled labouring jobs on leaving high school, but they subsequently found jobs with opportunities for specialised occupational training. Three of the women trained as teachers, three as nurses, three as clerks/secretaries, one as a hairdresser, and three entered jobs which provided general on-the-job training. These histories are arranged according to the type of labour market entered by the respondents in their initial job. Each segment offered different opportunities for the acquisition of skills.

TABLE 7.2
WORKPLACE TRAINING INITIALLY
AVAILABLE TO FEMALE RESPONDENTS

Labour Market Type	Female Respondents
Occupational labour markets with transferable skills.	Noeleen Fraser - primary teacher trained. Barbara Price - primary teacher trained. Joanne Parker - primary teacher trained. Sue Wilson - registered nurse. Shirley Bassett - registered nurse/midwife. Bernadette Mills - registered nurse. Joy Cook - clerk. Janice Foster - clerk. Dianne Sykes - clerk.
Semi-skilled and casual labour markets.	Ann Malone - shop assistant. Denise Wood - hairdressing certificate. Imelda - office worker and shop assistant. Sarah Adams - grocery assistant.

Male Breadwinner Norms Define Skill Acquisition

An initial and obvious observation is that patterns of gendered occupational segregation are reflected in the skill acquisition histories of the respondents. In these households, men tended to enter trades by which they would fulfil their breadwinning role and women the feminised occupations of early childhood teaching, nursing, hairdressing, secretarial and shop assistant work. Len Bassett's initial training as a clerk reflected the skill acquisition route towards the occupation of secretary/manager in the 1950s and 1960s. The gendered segregation was across both cohorts and consistent with that of the broader labour force.³

The Workplace as the Site for Skill Acquisition

In the environment of high labour demand in the mid-century period, the workplace was the primary site for skill acquisition and there was an established workplace-based apprenticeship system (Deeks et al 1994:424). Tertiary education credentials, as opposed to skills-based training, were rare prior to the mid-1980s (Bayliss 1994:41; cf also Social Monitoring Group 1989:95-96) and also provided a high level of marketability - be it in the area of education or in other occupations. Work skills provided on-the-job could be either firm-specific and non-transferable or recognised occupational qualifications. In the high labour demand context of the 1960s and 1970s, the prevalence of workplace training reflected a rational means by which employers could gain access to staff. By offering apprenticeships and other recognised qualifications, workers were more likely to be enticed to supply their labour. This was evident in the work history data where, apart from the four respondents who entered a post-compulsory education at a college or university, workplace skills were generally acquired on-the-job.

There was therefore little need for formal school qualifications as a means of gaining access to jobs. Richard Price, for example, left high school in 1952 after three years of

³ See Deeks et al (1994:476), Department of Statistics (1993b:92), and Brosnan et al (1991) who have at length demonstrated the gendered historical segmentation of the New Zealand labour market.

secondary education and took up a motor mechanic apprenticeship at a local garage. His parents did not expect him to remain at high school once he had reached age 15 and when he found the apprenticeship he left school. He commented that, "getting School Certificate didn't matter in those days". In fact, right up until the mid-1980s, "about one third of New Zealand secondary school pupils left school without a certificate or award of any kind" (Deeks et al 1994:423; see also Bayliss 1994:40).

In such an environment it was social and personal characteristics which were described as more important in providing access to jobs. Ann Malone, referring to her husband's early working years as a general maintenance worker for a regional dairy factory (1953-1965) and later as a motor reconditioner (1965 onwards), reported that:

You didn't need qualifications or a piece of paper. It was your character that they looked for, and whether or not you were able to do the job. ... You did have to do your job well in those days. If you didn't pull your weight you'd be down the road.

These practices and attitudes were still evident in comments made by younger cohort members about their entry into the labour market in the mid-1970s. An accent on being a "good practical Kiwi" (Bayliss 1994:41) rather than on qualifications was evident in comments by Sarah Adams. Having had only two years at high school, leaving when she reached age 15 in 1976, Sarah noted that obtaining a job was likely to be on the basis of qualities other than qualifications.⁴ She commented that:

I have only ever applied for about two or three jobs in my lifetime and I have got them all, and I think it's your personality that gets it, and that you are a good worker - if you are a bit of a shirker or don't show much nous, well, you look twice at somebody.

Denise Wood specifically linked the low requirement for formal educational qualifications to the high labour demand context. She left high school in 1960 without qualifications and while she reported that she could have stayed at school, she chose not to.

⁴ Given the widespread practice of workplace based skill acquisition, access to the job was determined by social characteristics such as gender, ethnicity and family connections. It is within the context of these processes that migrant worker groups (notably Maori and Pacific Island Polynesians) were restricted to lower-tier labour market segments over the mid-century period (see Spoonley 1990).

I just didn't want to. ... Most of us - if we reached 15 [years of age] half-way through the year - we just left. ... You just went and got a job - which left so many of our age without any qualifications - you just didn't need them.

The potential to "just leave and get a job", therefore, defined the transition from formal education to the labour market, although as Denise Wood commented (see Chapter 6), her opportunities were restricted to feminised segments. Denise did attend a hairdressing college where she received workplace based training in a large salon for two years. The workplace, rather than formal education, was therefore the primary site for skill acquisition in the mid-century period.

The question of who bore the cost of such training is relevant. As Savage (1989:5-15) notes, workers and employers share these when they are provided largely in the workplace - workers bearing them in terms of lower wage rates through the period where skills were acquired on-the-job, say, during the term of an apprenticeship or period of firm-specific training; and employers bearing them through lost output and through direct training costs. With firm-specific skills there would also usually be subsequent costs to workers associated with leaving the employment relationship.

Male Internal and Occupational Labour Markets

Easton (1991) suggests that under conditions of high employment in the mid-century period, the cost of recruiting staff was high and it was therefore in the employing firm's interest to retain staff. Workers, on the other hand, faced few costs when changing jobs and in an environment with a high number of vacancies had opportunity to pursue improved prospects. In order to retain staff, firms were prompted to provide acceptable working conditions, and in a subtle process of competition for labour, favourable conditions were passed from upper to lower labour market segments. Incentives to retain staff also typically involved the provision of some type of career path within the firm, and in that process, an opportunity to upgrade skills. Easton (1991) therefore portrays the labour market environment of the 1960s and 1970s as one where sharp lines of stratification were moderated by the high level of employment and the protections of the award system.

All of the older cohort males entered jobs within either internal or occupational labour markets. Jim Malone's first job as a telephone operator could be described as a semi-skilled job, but he reported having access to opportunities for further training and progression within the Post Office, suggesting a situation with the characteristics of an internal labour market. The older cohort male work histories do record that several of these workers did have semi-skilled jobs as part of their youthful job grazing. In the 1950s, Jim Malone and Stuart Price had both worked for about a year in jobs as a "builder's hand", while Dan Young (like Stuart Price) had worked as a truck driver and also as a garage attendant. Each of these workers, though, reported easy mobility out of these semi-skilled jobs and into internal or occupational labour markets. In each case, they either subsequently found jobs with opportunities to complete a recognisable qualification, or they entered an internal labour market with the opportunity to develop non-transferable skills.

Changes in jobs held by male respondents prior to the 1980s, and the direction of those changes, therefore, mirrored the type of progress implied in internal and occupational labour markets. Geoff Wood's history provides an example of mobility within an internal labour market in which he obtained employer-specific, non-transferable skills. He arrived from Scotland on assisted passage in 1965 to work as a stock tester for a farm animal advisory agency. He received an initial week of on-the-job training - "you got your basic training when you first went out" - and proceeded to work as a stock tester for the next seven years. On the basis of this experience, he moved up to a job in the stores and maintenance section for the agency in 1974, and in 1981 was promoted again to the position of regional officer. He described the process as follows:

You would hear of a vacancy coming up - that one of your fellow staff members was leaving or whatever - retiring ... and of course, if one of those older persons was retiring and you thought 'gee, I'd like a crack at that job', well, you got to hear of ... all those local jobs.

With these opportunities he was able to take advantage of a job ladder. He was recruited at lower levels and progressed upwards through the job hierarchy within the agency. So long as he remained a loyal employee, he progressed up the structure.

Mike Cook's work history suggested he had a similar type of mobility, but within an

occupational labour market, across different employers. Mike Cook, after arriving in New Zealand in 1962 as a qualified printer, subsequently worked as a printer for eight different employers. (Two of these jobs were in the Pacific Islands). He reported that his practice of regularly changing his job was itself a part of a strategy to obtain a broad base of experience within the occupation and thus ensure his ongoing employability. "I used to change my job every two years, or whatever, because I wanted experience at different parts of the trade, and jobs were available, plentiful". His skills were transferable across employers and with "plentiful" jobs, allowed for a high degree of mobility. He interpreted the mobility across employers as enhancing his skill base.

While the apprenticeship system in New Zealand has been described as having a narrow trade focus (see Deeks et al 1994:424), the work history data indicated that trained apprentices had a good deal of mobility across occupational and internal labour markets. This suggests that the completed apprenticeships may have operated as a signal to employers of competence beyond the substance of the qualification (Easton 1991). Mobility across segments was evident in several work histories where occupational training in one area provided access to different occupations. Richard Price, after completing his motor mechanic apprenticeship in 1956, found he did not want to work in that occupation. He tried several "fill-in" jobs, as a driver and builder's labourer, before entering his preferred occupation in farm merchandise sales. His basic mechanic training gained on-the-job was advantageous, but he was not restricted to that trade.

Nigel Wilson's work history also provided an example of mobility across occupations. He completed a cinema projectionist apprenticeship in 1957. Three years later, after marrying, he changed for a job with more sociable hours and began to work as a typewriter mechanic. Five years later, in 1965, he changed again for a job with an Armoured Transport firm. While there, he was given organisational tasks and thus had the opportunity to develop skills in business and financial administration. His subsequent entry into health administration in 1973 was made on the basis of that experience. In Nigel Wilson's case, then, the workplace was the primary site for the acquisition of human capital. Under conditions of high employment, workplace experience served as a functional equivalent to qualifications and could be used to obtain entry into

succeeding jobs (Easton 1991).

Mobility across labour market segments was facilitated by the minimum award wage system which provided a high level of income equality across occupations. Moving to a job outside an area of training did not imply a lower income (Easton 1991). Dan Young completed his fitter/welder apprenticeship in 1959, and continued to work for the same employer until 1963. He left, however, when his employer moved from general farm engineering, which was work with a good deal of variety in it, into production line engineering. Faced with what he described as undesirable changes to the type of work he was required to do, Dan Young found a lower-skilled job as a "garage attendant". He reported that while the move was into a lower-skilled tier of the labour market, he did not see it as negative as he received an income equivalent to that from his previous job. In this regime, then, with high levels of employment, favourable conditions were passed from skilled occupations to lower-skilled occupations. And high levels of employment and widespread opportunities for skill development and transferability moderated labour market segmentation.

Male Semi-skilled Labour Markets

The only two male workers who initially entered semi-skilled labour markets with no reported opportunities for workplace-based training or upward mobility within the firm were Grant Sykes and James Adams of the younger cohort. Grant Sykes, the youngest male respondent, left high school in 1978 at age 16 just as the threat of unemployment was beginning to rise. He attributed his subsequent, unsuccessful application for a motor mechanic apprenticeship to the fact that he did not have formal qualifications - his School Certificate. He commented, "I had a chance for an apprenticeship, but as I say, one guy had the School Certificate and I didn't have one, so, that was the only reason I missed out - or I would have had a skilled job back then". This mirrored both the tightening labour demand context and the general trend of increasing demands for certification (cf Shipley 1982:34). He found a job as a labourer for a roofing business, but went on to spend the next eight years in a succession of low-skilled labouring jobs

with intermittent spells of unemployment.⁵

James Adams has also been classified as entering a semi-skilled labour market characterised by few opportunities for progression or training, although his employment behaviour may reflect his personal life-cycle stage. In 1972 he left school as an 18 year old and began a job as a grocery "storeman". He left this in 1975 and moved to another city to work for what he described as personal reasons: "I felt as though I needed a change. I was in a rut and ... some of the friends I was hanging around with were probably not desirable, so it was more or less a change". He found a job as a timber yard labourer in which he worked for one year before returning to Palmerston North in 1976 to a similar timber yard labouring job. He left that in 1977 for a position as a storeman for a liquor outlet, and changed jobs again in 1978 for a position as a grocery storeman. These jobs were described by James as "dead-end jobs"; he had no opportunities for the acquisition of recognised qualifications or progression up through an internal hierarchy of positions.

James Adams' behaviour, though, may also reflect a propensity to engage in job grazing while he was a young man without family responsibilities as this activity did change following his formation of a household with Sarah. In 1979 he did find work with an undertaking and funeral directing service, and his subsequent long-term employment with that service did mirror his new household context and strong expectations that he perform a providing role. So while his labour supply behaviour may have mirrored the effects of a semi-skilled labour market segment in terms of his propensity to leave after finding they were dead-end jobs, it also appears to have reflected his own life-cycle stage. Perhaps more significant, however, is that his work history indicates, like the work histories of the older cohort workers, that he was able to move out of a semi-skilled segment of the labour market when he was required to meet his normatively defined provider role following household formation.

⁵ His case exemplifies the condition of youth unemployment and is discussed further in the following chapter which focuses specifically on the trend of unemployment and its effects on labour supply.

Female Occupational Labour Markets

The female work histories indicated their labour supply was limited essentially to feminised labour market segments. Opportunities for education and training were constrained within these segments and had limited efficacy in extending the range of employment opportunity beyond them. Despite this, with conditions of high labour demand and growing rates of female employment, women with qualifications also had access to the mobility typical of occupational labour markets within these feminised segments. Male breadwinner household norms, however, powerfully defined the way women utilised and maintained their workplace skills.

Sue Wilson's and Shirley Bassett's cases indicate the extent to which their nursing training gave ready entry into both an occupational labour market as nurses, and internal labour markets within the health service, as well as a range of other occupations. Shirley Bassett completed her training as a registered nurse in 1963. She relocated within the hospital service to gain the necessary work experience to complete a qualification in midwifery. On completion of the course in 1965, she reported, "there was no trouble to get a job afterwards". She reported working full-time in a variety of jobs in both the public and private hospital service over the following four years: from 1965 to 1968 in the public hospital maternity unit; from 1968 to 1969 as a night duty nurse in a private hospital; and in 1969 as a head nurse in a public hospital maternity unit. While she was a single nurse, then, she had mobility both within and across large employers in the health sector. Following her marriage in 1969 and her withdrawal from full-time work in 1970 the remainder of her paid working life, over the following two decades, was in part-time and casual jobs in the health sector. Her new position and role in the household, with its domestic work and child care functions, were more important in determining her subsequent labour supply than factors in the labour demand context. Shipley (1982:155) also noted that very few women in this era managed to maintain "career" positions (in fields such as teaching and nursing) following marriage or their first pregnancy, and that they tended to return to secondary or casual labour market segments. However, as noted earlier, this conclusion may mirror the in-built bias of work history data towards factors of labour supply (Walby 1991:175). That said, what is of

note is that Shirley Bassett did have the opportunity to remain in full-time work as a nurse outside of her household context.

Sue Wilson, too, had access to similar occupational and internal labour markets once she had trained as a nurse, and added that the training allowed her to "walk into" less skilled jobs, for example, as an office worker or as a shop assistant for department stores in Hamilton and Wellington. She did subsequently extend her nursing qualification by gaining a rest home care qualification, completing a Rest home Matron Certificate in 1981 and an Advanced Rest home Matron Certificate in 1991. What is notable from Sue's history is the way male breadwinner norms were influential in the utilisation and therefore maintenance of her qualification. As noted in the previous chapter, Nigel Wilson's career path was favoured in their household and resulted in the family relocating on six occasions (see the introduction to their household in Chapter 5). On each occasion his wife Sue did find new employment. When asked why they had moved around jobs the way they had, Sue Wilson explained that Nigel:

... always liked to have been on the move ... 'come on, let's go, let's go ... had enough of this' ... He has always maintained that he is the boss ... because if [he] wanted to change [his] position or job or anything, [he'd] just do it.

The nursing and rest home qualification did provide for mobility within that occupational labour market, but after three household relocations between 1990 and 1994, she was ultimately driven to accept lower status, less demanding jobs and, after October 1994, menial part-time cleaning and undeclared child minding work. As Sue put it:

I could have gone ahead, further up the line, and done more paper work and more certificates, and gone with the flow - but all these [job] changes - have really made me mad. Every time I seem to get to the top, he'd take off and shift and want to go somewhere else - and in the finish I got to the stage where I thought, oh well, that's it, I'm not doing it any more - I just gave up.

The pattern of household relocation for the male's employment persistently interrupted her progression through internal labour markets. Normative influences on labour supply operating at the household level, again, appear to have been more important than factors in the labour demand context in defining her position in the labour market.

Male breadwinner norms, therefore, powerfully defined both the use and maintenance

of qualifications gained by the women. Noeleen Fraser's work history illuminated processes related to the acquisition of skills by which women did tend to become concentrated in part-time and casual sectors of the labour market. As the previous chapter reported, Noeleen did gain a teaching qualification but never used it on a full-time basis. She completed her provisional year of training just prior to marrying Ken Fraser at the beginning of 1960, after which she moved to Palmerston North and assumed the primary role of house and family worker (Shipley 1982:161 records similar labour supply patterns by women). She explained that she did not continue as a teacher at that time as she did not have a driver's licence to travel to the schools where there were available jobs. She noted the absence of a normative expectation that women possess the skill of driving motor vehicles. The lack of that peripheral skill, however, limited her paid work opportunities. She said that:

I would dearly have loved to have gone on, but there wasn't anything available. ... I wasn't prepared to go out of town. I would have had to have gone by bus, because I didn't drive. I didn't get my licence until the children were at school.

She also reported that she was reluctant to travel to schools out of town as it would have limited her ability to fulfil her new role as a wife which involved "being there" as a house keeper for Ken.

Noeleen Fraser did begin to teach on a casual basis in a wider range of schools after gaining her licence 14 years later. Having a licence, she commented, "... changed it altogether. I went [day relief teaching] all over the [city]". She had the potential to make herself available to schools in the surrounding district and taught on a casual basis between 1974 and 1986. Barbara Price's case was very similar. Barbara Price was also a teacher and a non-driver (albeit a licensed non-driver) with, as a consequence, limited employment opportunities. While teacher training provided Noeleen Fraser and Barbara Price with a specific occupational skill, the norms defining the acquisition of peripheral skills had the effect of leaving them ill-equipped for the actual requirements of full-time work.

Both women did return to teaching on a casual basis when their children reached school age (Chapter 6). The absence of opportunities for further training is accepted as a down-

side of working on a casual or part-time basis (see Davidson and Bray 1994:70), and as relief teachers, they were not eligible for the ongoing on-the-job training available to their full-time colleagues. As a consequence, they did not have the opportunity to keep their skills up to date. The ultimate result was the deterioration of their skill-base. They both eventually left the occupation of teaching for work in the semi-skilled labour segments. Barbara Price specifically linked the lack of access to ongoing on-the-job training to problems she had with classroom management - problems which led to her withdrawing from this work in 1990 at age 47.

I found that the children were badly behaved - as a reliever, discipline is the hardest thing. Perhaps I was too soft. I don't know. I found that difficult, and I just found that I got so tired that it wasn't worth it.

She noted, ironically, that she often relieved for full-time staff while they were away on training courses. She reflected that with access to ongoing training she may not have resigned when she did. Barbara ended up working in a lower-skilled, part-time job as a dispatch assistant for a local printery. In Noeleen Fraser's case, the lack of opportunity for on-the-job training left her unprepared for the changing requirements of teaching over time. She noted, "I was not all that happy with teaching at the time - it was taking a new tack - I wasn't happy so much with the set-up in schools, the way they were going". She subsequently took on a part-time job as a cafeteria hand and, following her redundancy from that position in 1988 at age 50, she had taken on the cash/hobby work of knitting.

MOBILITY AND SKILL ACQUISITION IN THE LIBERAL REGIME

The liberal regime from the mid-1980s can be observed in terms of its effects on the opportunities for mobility and skill acquisition in the context of new patterns of labour market segmentation that began to emerge. By the mid-1980s possession of formal school qualifications had become increasingly essential as a means of gaining access to jobs (Department of Statistics 1993a:91). There was a decline in the availability of workplace-based training programmes and increasing levels of off-the-job vocational training, directed at providing core skills to workers. The off-the-job training was funded,

to an increasing extent, according to the user-pays principle. The emergence of new patterns in labour market segmentation was mirrored in changes in opportunity for skill acquisition.

Two types of experience were evident among full-time male workers in the sample from the mid-1980s. On the one hand, several males in the younger cohort found themselves in what resembled internal labour markets where they had opportunities for skill enhancement, be they either firm-specific or more generalised skills. The work histories suggested, though, that continuity of employment within these internal labour markets was tenuous in the high unemployment context. These workers faced job loss as a real possibility, the consequence of which was likely to be a spell of unemployment or unskilled and casual work. The histories did suggest, however, that if they were ejected from an internal labour market, younger cohort workers were more likely to subsequently be re-employed in jobs with characteristics of internal labour markets. The older cohort male workers, on the other hand, were more likely to be ejected from internal and occupational labour markets into unemployment or jobs with the characteristics of those in the unskilled or casual labour markets. The work histories suggested that these older cohort workers had little ensuing opportunity for upward mobility. (Women tended to be in these secondary casual segments to begin with.)

The Luck of Internal Labour Markets

At the time of the interviews, four of the younger cohort males were in either occupational or internal labour markets. Dennis Parker worked as a secondary school teacher and had access to in-service training programmes designed to ensure his qualification remained up to date. With his university degree and teaching qualification, he had access to a relatively secure occupational labour market environment. James Adams had taken advantage of the training opportunities made available to him while working for the funeral directing service and completed an Embalming Certificate in 1985 and a Funeral Director's qualification in 1990. As he was the only embalmer at his workplace his qualification gave him some degree of security, and while he did not envisage leaving, James was confident he could find work as an embalmer elsewhere if

he needed to.

Grant Sykes' work history after 1986 implied movement out of the external labour market conditions, where he had had a succession of low-skill, labouring jobs with insecure tenure and little promise of advancement or skill development, into an internal labour market. Prior to finding the low-skilled job in the "tyre bay" at the regional government's work depot in 1986, he had a succession of short-term unskilled labouring jobs. Grant Sykes had no formal vocational qualifications, but following his employment with the regional government he was presented with a series of opportunities to "up-skill" himself. First, while in the tyre bay, he was given the opportunity to gain his heavy traffic licence which led to a job as a truck driver. While working as a truck driver he was asked to apply for a water-treatment plant operator job which had further training and skill development opportunities. Undertaking the training was a part of the job:

I had to do this certificate. I did it in the first year - I had 18 months to do it. ... I picked up two other courses - chemistry and communication skills, which is English. ... They paid for the course and everything, and you had time off or hours in lieu for study leave.

He said he was planning to complete an additional certificate to continue his skill development.

A "B Certificate" will give me an operational supervisory position, if I want, at another plant. It is just another level of skill ... if I get a "B Certificate", I can go anywhere in the world with that.

On finding the job at the regional government he moved into a situation with internal labour market dynamics - the characteristics of which include recruitment at the lowest grades with higher grades being filled internally (cf Adnett 1989:22). Grant described his experience as a lucky break by which he could get a qualification and prove himself as a good worker. His life-cycle stage may have been a factor in his gaining the position. As noted in Chapter 6, he was under pressure from his wife Dianne to find a job in which he could fulfil the sole breadwinner role through her child-bearing years, and he was therefore willing to take job improvement and training opportunities to enhance his employment and their income security. At his life-cycle stage, there was also a longer period for both him and his employer to recoup the costs.

The other case in the younger cohort involved movement between internal labour markets with employer-specific skills. In 1985, Mark Mills found a job as a screen printer and was later promoted to display manager for a local department store. This progression represented characteristics of an internal labour market - recruitment at a low level as a screen printer before progressing to display manager. He described the job as one he believed offered long-term opportunity. He commented, "When I started the job, this was an established company that had been there forever - that owned lots and lots of real estate around town - and was a big store. ... It was a job for life". Mark, however, was made redundant when the business collapsed in 1990 and he was effectively pushed from an internal labour market into an external labour market. He was initially unemployed before engaging, over the next two years, in under-the-table and later official self-employment. Throughout this time he continued to search for a job and in late 1992 he was accepted "on a temporary basis and as a fill-in" exhibition designer for the art and design gallery. He approached the job with what was an intuitive knowledge of the workings of internal labour markets when he said, "My thinking was, if you are in, there's a door that can lead to something else". In this instance he was successful and he progressed towards a permanent position with the gallery. His history, then, indicated progression within an internal labour market, an interrupting spell of unemployment with external or casual labour market conditions, before being re-employed in internal labour market conditions.

Movement from Occupational and Internal Labour Markets into Unskilled and Casual Labour Markets

None of the older cohort male respondents, when ejected from internal or occupational labour markets, had the same outcome as Mark Mills. With qualifications more important in gaining access to jobs, older cohort workers, who lost their jobs from the mid-1980s onwards, found that their previous experience and workplace-based skills were not necessarily valued by potential employers. None of this group found their way back into a job where there were opportunities for progression or skill adaptation and enhancement. Rather, they tended to find themselves working in jobs with the characteristics of positions in the unskilled and casual labour markets.

Nigel Wilson had left high school in 1953, completed a cinema projectionist apprenticeship, and over the next decade and a half worked as a typewriter mechanic, for an armoured transport firm, and as a cashier for a larger farm merchandise firm. In 1973 he began to work for the public health service as a clerk. By 1981 he had worked his way through several jobs within the service to gain the necessary experience to hold the position of Administration Officer - one of three administrative heads of a medium-sized regional hospital. His history in the public health service was, therefore, one of recruitment at the lower ranks where he acquired specific workplace-based skills for this specific employer. In fact, the public service in the mid-century period provides a good example of internal labour market characteristics with statutory provisions which limited the appointment of outsiders to most positions other than basic grade (Bowie 1983:88). When administrative practices in the public health sector were restructured in 1988, Nigel Wilson was made redundant. Following his redundancy he found that his previous experience gained from the workplace was not accorded merit by employers as it had been previously, and he commented in a regretful tone: "The emphasis nowadays is on your professional qualifications rather than your work experience".

He was aged 51 when made redundant in 1988 and, at the time of the interviews six years later, had not been able to find a job with similar opportunities. During the first 18 months following his redundancy, Nigel worked, first as a part-time dispatch assistant for a newspaper and, after this, as a part-time debt collector. The redundancy, therefore, brought about his ejection from an internal labour market, into an unskilled, casual labour market. He did subsequently attempt to re-enter the health sector, late in 1989, when he took a job as a revenue controller for the Wellington Hospital Board. He found, however, that he had few opportunities for skill adaptation in this job, an outcome of a decreasing level of on-the job training. He reported that, as a consequence of administrative reforms, the health sector had "scrapped" its in-service training section. Nigel Wilson strongly emphasised the negative outcome of this as he linked the build-up of stress in the job, which forced his resignation in 1994, to inadequate training opportunities.

I was very critical of the number of times they would come to me with a new system and just spend 2 minutes and say 'you do this, that and the next thing', and go away, and you would have to carry

on from there - it was very, very difficult.

His comments also indicate that he perceived his life-cycle stage as the source of difficulties.

One thing I am very critical of is the lack of training for people in my age group ... [who] have been working for some time. They get thrown into the sort of environment with the university graduates who know the computer system. ... There must be hundreds of people in the workforce ... not all of them ... proficient, but most of them would with the training and the opportunity.

His employer had decreased its role in the skill development of employees and was relying to a greater degree on that provided by tertiary and other vocational educational institutions. It would follow that older workers would be most negatively affected by this.

Nigel Wilson's experience also signified that the decline in on-the-job training coincided with an increase in individual responsibility for the acquisition of appropriate marketable skills.⁶ After finding the job in Wellington in 1989/90, Nigel noted that he was expected by his employer to "up-skill" himself in his own time and at his own expense. The job required that he be able to use certain computer software and he went to night school to acquire this knowledge. He commented:

I picked up a lot of computer knowledge over the last year when I was in Wellington, but what I picked up was only really what I was able to assimilate myself, and train myself in doing.

His experience points to an increasing use of education and re-training programmes provided outside of the workplace to meet basic skill requirements and maintain employability. His comments also indicate a reluctance by his employer to invest in the training of older workers. While employer reluctance to train older workers is recognised

⁶ The other potent example of the trend was in the work history of Bernadette Mills. Bernadette Mills had gained her registered nursing qualification on-the-job in 1983. She married later that year and had thereafter worked part-time to accommodate her house and family work role. In doing so, she had not had access to the on-the-job training that was provided for full-time workers. By the early-1990s she found she needed to update her skills in order to maintain her employability. While continuing to work as a nurse on a part-time basis, she attended a full-time tertiary nursing course in 1993 and 1994, bearing the costs herself. The opportunity for skill maintenance and development was only available to her outside of her workplace. These experiences mirror what was evident as a broader tendency for education and training to be provided as if it were a private commodity rather than a public good.

as being linked to there being fewer years for employers to recoup investments made in training (see also OECD 1995:27), in Nigel Wilson's case the impact was to create such a level of workplace pressure that he was ultimately forced to resign in 1994 because of stress related health problems.

Geoff and Denise Wood both found themselves ejected from an internal labour market in 1990/1991. Their history of acquiring firm-specific skills and demonstrating loyalty to one employer did not prove to be an advantageous strategy in the environment of rising unemployment. Loyalty to one employer, and the consequential skill specialisation that occurred, had left Geoff Wood without alternative labour supply options. He found he was severely disadvantaged by having only worked for one firm and for having only one area of skill: "It's fine when things go right, but when they suddenly go wrong, you find that staying in the one job and learning the one skill isn't the thing". In the wake of their redundancies, Geoff commented:

I haven't had too many employers in my lifetime - since I've come to New Zealand I've only had one - and I've always tried to be fair to them. There's probably a lot of farm work out there ... milker jobs and those sorts of things, but my life wouldn't stand up to these sorts of things ... my body is worn out. ... The problem is that, I'm 58 now, and when you're with the one firm - that's basically all I know.

Denise Wood, who had worked full-time from 1977 as a laboratory assistant, was similarly unprepared to find another job. She commented, "My impression was that all the jobs I could get would be like working in a shop". At the time of their redundancies, Geoff was 54 and Denise was 47, and with no transferable skills, they expressed a growing resignation to the likelihood that they would receive poorer earnings and employment conditions in their remaining working years.

While these workers were being forced from internal labour markets, there were also declining opportunities for workplace-based training. Apprenticeships as a primary means of occupational training declined sharply from the mid-to-late 1980s. In the three years preceding 1991, the total number of apprenticeships fell by about a third (Department of Statistics 1993a:92). Mike Cook, who worked as a printing trainer, provided first-hand comment on this, reporting that: "Starting 10 years ago, probably about then, apprentices were no longer being trained. It was cheaper not to train them". The broad decline in

numbers mirrored, as Deeks et al (1994:423) assert, "the economic downturn and longer term structural changes within employment (fewer jobs ... being created in the manufacturing and trade areas that were the sectors primarily employing apprentices)". It was also representative of a general decline of the workplace as the site for skill acquisition and a growing reliance on external training services. The decline in the level of workplace training was, as Deeks et al (1994: 429) suggest, a consequence of large sectors of the emerging industrial framework lacking structured training programmes. It also follows that in an environment of high unemployment, employers did not face the same need to entice and retain workers by offering opportunities for workplace training. Mike Cook's comment that it was cheaper for employers to withdraw from training staff is also indicative of the type of change that occurred.

Loyalty to either an employer or occupation, and the resulting skill specialisation, proved to be ineffectual in maintaining a secure position in the labour market. Mike Cook discovered his specialised printing skills declined in status and marketability following his redundancy in 1988. He found he was competing with sources of labour equipped with merely minimum skills. This was in marked contrast to his earlier experience when, after completing his apprenticeship in London in 1952, his qualification was in demand in New Zealand and the means of access to a range of jobs as both a printer and printing instructor. He asserted, "Those qualifications have stood me in good stead - up until now". Following the 1988 redundancy and his movement from working for specialised printers to a large "production line" printery, he noted the declining status of his skills. To some extent, technological developments in printing were behind his skill devaluation, as he explained:

A 55 year old may have skills and experience, but I don't know how much of a place there is in the workforce [for them]. ... Because, technology has changed things so much. Why do we want my skills, and the knowledge that I have of printing is generally not required at all. ... The relevance is not there nowadays. I mean some of the training that I had was that certain [print] type looks better on a certain paper - if you are going to use this paper it will be better to use this [print] type rather than that, and certain types relate to certain jobs. This doesn't apply now.

His work history mirrors the experience of the transition "from hot metal to cold type"⁷ in the newspaper industry, studied by Hill (1984). However, he also linked the devaluation of his skills to the new labour market environment where his employer was:

... wanting to pay less and less, therefore they are wanting cheaper people. ... I'm saying that my experience is expensive, and therefore a person just out of school, if you like, doesn't need to cost so much. ... Management isn't requiring the skills. They're prepared to take people off the street to do a job. There was a protection [of skilled workers] some years ago, and management was not allowed to do that then, and I guess if management wanted a plumber it had to be a tradesman, tradesperson, and the same as any other trade.

He saw labour deregulation as contributing to the position where unskilled workers were being hired in place of skilled workers. He added:

You see, multi-skilling is coming in. ... What in fact you are saying is a jack of all trades, master of none. That's what that means, now, whether that's a true terminology - but that's what I see. Well, okay, you can be multi-skilled, 'We'll train you on this - for two weeks!', and maybe that's a cynical or a sceptical view, but I think there is a certain amount of truth in it.

Mike Cook's comments explicitly link the devaluation of his qualification and experience to a trend of multi-skilling in the printing industry. This may be an oversimplified application of Braverman's (1974, in Hill 1984) labour process theory which proposes that 'scientific management' and technological developments "contribute to the 'deskilling' of labour, divesting workers of their knowledge, skills and competence, [therefore] fragmenting, routinising and at times destroying jobs" (Hill et al 1990:223). As Hill et al (1990:229) argue, the outcome of skill definition in the workplace is the outcome of "struggle, conflict and compromise between different groups of employers and workers". The point here, though, is that in the high unemployment context, technological developments had allowed his employer to dispense with the specialised skills that were previously required. Mike was forced to compete with cheaper, lower qualified sources of labour supply. His experience is consistent with a shift towards what Offe (1985:30-1) described as the employer preference for an easily substitutable, minimally qualified workforce, by which they can play off sellers of labour.

⁷ The change from "hot metal to cold type" in the newspaper industry refers to the introduction of new production techniques where computer-based type-setting replaced the casting of type from molten metal (Hill 1984:162).

The institutional context of these trends has been the development of a new national qualifications framework which, while heralded as providing an integrated and coherent framework for the recognition of school, vocational training and academic qualifications, is based on promoting generalised skill development - "competency based, rather than occupation-based programmes" (Deeks et al 1994:424). These educational reforms initiated by Labour, and continued by National, linked programmes "more closely to the needs of employers and the labour market" (Deeks et al 1994:424).

SUMMARY

The objective of this chapter has been to explore trends in labour market mobility and the related question of opportunities for skill acquisition. The work history data provided for an analysis of the effects of trends in labour market structuring and workplace training, the opportunities for which are defined by location in distinctive labour market segments. The notion of welfare and labour regimes implies that the pattern of labour market segmentation would change with the institutionalisation of a new welfare regime. Workers in the new regime would face, therefore, different opportunities for the acquisition of the necessary workplace skills by which their labour could be sold.

As expected, the work histories indicated distinctive patterns of labour market segmentation along gender lines across both regimes for both 'young' and 'old'. The work history data tended to emphasise the impact of factors at the household level, particularly after the arrival of children in families, in determining the position of women in the labour market. However, broader social norms prescribing gender appropriate activities were also found to inhibit the utilisation of education and training by women in paid employment. The link between house and family work responsibilities and the propensity for women to enter casual (or peripheral) labour market segments is well established (Shipley 1982; Bowie 1983:63; Chapter 6). The effect of the spell out of work for child-bearing, and of part-time work taken on to accommodate child care responsibilities, resulted in the deterioration of the skill-base and the erosion of position in the labour market. The work history data did not reveal any marked changes in the

overall pattern across regimes. However, there was the suggestion that the deteriorating labour market status of older cohort males from the mid-1980s was mirrored in the deteriorating labour market position of their female partners.

Human capital theory, with its emphasis on the role of education in establishing position in and earnings from the labour market, failed to actually account for the labour supply activity of women in the households interviewed. The female work histories suggest that the relationship between education and training and female labour supply is complex and cannot be explained outside of the cultural context. It was the customary pattern of activity within the household which was potent in determining their labour supply (cf Schmidt 1993). The impact of these norms endured across both cohorts and welfare regimes.

The analysis of the work history data did point to several marked differences in opportunities for mobility and skill acquisition across regimes. Prior to the 1980s the workplace was the primary site for skill acquisition and there was a greater opportunity for workplace based, occupationally specific training, reflecting the environment of high labour demand, and an employer strategy of enticing and retaining workers. Workplace based training resulted in the sharing of skill acquisition costs between worker and employer. In the environment of high levels of employment, workers did have access to internal and occupational labour markets, and a high level of mobility was reported within and across these. With the system of minimum award wages, workers did not necessarily suffer a decline in income if they moved out of their occupation or between firms. The state sponsored minimum award conditions had the effect of ensuring conditions "percolated" down the hierarchy of labour market segments (Easton 1991).

The experience of the households indicated that with the incidence of rising unemployment and, particularly after 1991, the erosion of the award system and its replacement by an industrial relations set-up designed to promote numerical flexibility (Boyer 1988; Harris and Daldy 1994:93; Bruhnes 1989:3), opportunities for mobility within and across labour market segments tended to decrease. Full-time male workers in both cohorts were more likely to be ejected from jobs with the characteristics of

internal labour markets. However, older and younger cohort full-time workers tended to have quite different experiences following the loss of these jobs. Those in the younger cohort were more likely to be re-employed after episodes of unemployment in jobs which did offer opportunities to improve their position within the employing firm. But their experience in these internal labour markets did differ from that of the previous regime in terms of a declining opportunity for mobility out of that market. In the environment of high unemployment, they did not have the opportunity to move across internal labour markets. The costs associated with moving out of internal labour markets where they had acquired employer-specific skills were therefore more pronounced.

Older cohort males were less likely to be re-employed in jobs with opportunities for improvement in position. This points to discriminatory effects in the labour demand context with employers less willing to invest in the skills of older workers given that they would have fewer years to recoup the costs. It also appeared that older cohort male workers were ejected from internal to semi-skilled or casual labour markets. The greater ease with which these workers could be ejected promoted a process of deskilling and facilitated the employer preference for a generalised multi-skilled supply of labour to choose from. Workers with specialised skills therefore found they were no longer necessarily in demand as they had been and were forced to compete with cheaper sources of easily substitutable, minimally qualified labour.

Those who found themselves in these unskilled and casual labour markets faced increasing requirements that skills be acquired off-the-job, the costs of which were to be borne privately. With off-the-job and user-pays based training, the costs of training were transferred to workers. Fewer opportunities for structured occupational training in the workplace restricted opportunities for skill acquisition, and left those in low skilled occupations trapped without access to on-the-job training. It was the older cohort workers with firm-specific skills who were most disadvantaged by this. The only mobility available to these respondents was reduced to that between employment in semi-skilled segments and unemployment, rather than within and across occupations (see also Easton 1991). Reliance on external training services, in an environment of high unemployment, mirrored the fact that employers did not face the same need to entice and

retain workers by offering opportunities for workplace training.

There is some suggestion, then, of the effects of different patterns of labour market segmentation and mobility across welfare regimes. A crucial feature in these differences was the greater incidence of unemployment in the 1980s and 1990s. It is to the topic of unemployment that the thesis turns in the following chapter.

8

WELFARE REGIMES AND UNEMPLOYMENT

Kolberg and Kolstad (1992:171) have suggested that unemployment is "a distinctive phenomenon at the interface of the labour market and the welfare state ... [that] helps identify the mode of institutional interaction in ... society". They imply that the tactics adopted to resolve the problem of unemployment are a key indicator of welfare regime distinctiveness. The macro-level review of New Zealand's experience demonstrated the existence of distinctive "unemployment regimes", characterised by divergent policy mechanisms to reach historically varying employment goals. The different historical welfare regimes contained distinctive combinations of policy options that have affected the rate, cause and actual experience of unemployment.

In New Zealand's wage earner cum social expenditure welfare regime there was a keen political sensitivity to any unemployment. The impetus for much of the state's activity through this period stemmed from the commitment to full employment and was institutionalised in specific employment legislation. High levels of employment were achieved within the context of measures for the protection and stimulation of the export industry, and through the use of expansionist measures that were designed to enhance

the organisation and development of local industry. Full employment was also promoted by a growing public sector which provided jobs in burgeoning areas of health, education, welfare administration, and public works and services. Income relief for the unemployed was financed from general taxation, paid at a flat rate to all recipients. It was selective, based on an income-test, adjusted according to family size and type and abated against extra income (Stephens 1992:101). Unemployment in this period was largely frictional and while benefits were available for those who registered as jobless, the prospect of finding another job meant there was little need to register and receive the benefit.

As unemployment began to rise, particularly from the late-1970s, the efficacy of the measures that had previously assisted in maintaining high levels of employment began to diminish. In response, industrial diversification was promoted and protection for domestic industry began to be dismantled. The historical use of import substitution initiatives and export subsidies persisted and a new emphasis was placed on job creation schemes.

After 1984, however, the response to the problem of unemployment was re-directed when Labour radically embraced free market policies. Domestic and export industry defence policies were abandoned in order to expose the economy to international market signals. Unemployment rates increased sharply from the mid-1980s as a consequence of Labour's monetarist approach to economic management and the large scale restructuring that occurred from the liberalisation of the economy and reform of the public sector (Harris and Daldy 1994:1). More specifically, in the campaign to achieve price stability, unemployment was accorded a lower priority; the employment absorption role of the public sector was rejected and large scale redundancies occurred in the programme of public sector reform; and thousands of jobs were lost in the private sector as import substitution businesses in particular were down-sized following economic liberalisation.

While unemployment rose, the government steadily withdrew from active labour market policies. Furthermore, benefit level reductions and stricter eligibility criteria for unemployment benefits were introduced in 1990 and 1991. Benefit reductions were of the magnitude of 24.7 per cent for the single unemployed between ages 20 and 24.

Married couples with two children faced a reduction of 7.9 per cent (Stephens 1992:108). Other major elements of the stricter eligibility involved an increase in the maximum stand-down period from six weeks to 26 weeks for "voluntarily unemployed"; the imposition of a possible 26 week stand-down period for those who received redundancy payments when they lost their jobs, dependent on the size of their redundancy payment; and the reduction of the period for household income assessment from 52 to 26 weeks for a higher earner stand-down, in order to exclude higher earning seasonal workers (Stephens 1992:109).

In this chapter the effects of the historically variable treatment of unemployment will be observed in terms of the impact on the nexus between households and work. The premise is that household labour supply responses mirror the opportunities and constraints made available by the institutional and cultural features of each welfare regime. The work histories, therefore, allowed for the investigation of the effects of the "unemployment regimes" on the labour supply activity and experience of the households.

Morris has noted that variations in the household experience of unemployment can be explained by a variety of factors: the position of household members in the labour market and their opportunities for subsequent labour supply; the material resources households have for survival; as well as factors such as "the existence of a similarly placed reference group, the development of sub-cultural norms to deal with unemployment, and the degree of localisation or spatial concentration" (Morris 1990:43). To these can be added the household's stage in the life-course and the type of household itself. Job loss usually affects more than one person. Adult male workers have traditionally had dependants, and in these cases the loss of a job by a male is an immediate and fundamental challenge to the ongoing solvency of the family. Equally influential is the threat of unemployment. As the previous chapter noted, both the direct experience and threat of job loss affect strategies for skill acquisition. It can also be expected to have an impact on processes of gaining jobs, decisions to change jobs, the acceptance of cutbacks in wages and conditions, and on household strategies of coping.

In approaching the issue of household variations in the effects of unemployment, therefore, it is important to recognise that there is a range of influential factors. Accordingly, this chapter is concerned with examining variations in the experience of unemployment that have been caused by the externally imposed constraints of the welfare regime, while also taking into account the internal dynamics of households. Morris (1990:46) has recommended such an approach, suggesting that the focus should be on the "external constraints that are imposed, especially in periods of economic change". She does so on the grounds that household labour supply responses will vary over the life-course, not simply because of the changing requirements of the family stage, but also because of changing practices and attitudes brought about by different opportunities and constraints in the labour market.

The household work histories provided for the observation of the effects of the rising incidence of unemployment at the household level. They allowed consideration of differences in the way in which unemployment disrupted relationships within the household, in particular in the traditional roles and identities inherited from the male wage earner regime. The concern here, therefore, is to observe the effects of the different historical unemployment regimes on the cause and actual experience of unemployment.

UNEMPLOYMENT PRIOR TO 1984

In the wage earner cum social expenditure welfare regime, periods of unemployment were reported only in male respondent work histories. Shipley's (1982:xiii) study of women's unemployment in Palmerston North also found an extremely low level of registered female unemployment. She defined unemployment as those seeking either full-time or part-time work in the previous week and found that most female unemployment at this time was socially invisible. Under these criteria, in June 1981, less than 4 per cent of females wanting to work were registered. Shipley (1982:138) found that married women made up a large proportion of these socially invisible unemployed (cf Bowie 1983:63).

In two of the older cohort households there was evidence of this type of unemployment. Noeleen Fraser could not find a job as a teacher when she moved to Palmerston North following her marriage to Ken in 1960. She reported that she "would dearly have loved to have gone on" teaching at that time. In her new role as a wife and housekeeper and without a driver's licence, her opportunities to find a job were limited. Similarly, following the Price household relocation to Hamilton in 1965 for Stuart's work, Barbara, who had left a full-time job as a teacher, could not find work. In both cases their unemployment was disguised given their position in male breadwinner households and non-eligibility for unemployment relief.

It is accepted that registered unemployment tends to significantly under-report actual job loss when compared with unemployment as recorded in the Census (Shirley et al 1990:123) and that women are most likely to make up the invisible unemployed (Shipley 1982). There were, however, no other reported spells of unemployment or involuntary exclusion from the paid workforce over this period by women in the male breadwinner households that were interviewed. It may be concluded, therefore, that female labour force participation tended to be discouraged within the normative constraints of the male breadwinner households, and that the collection of such retrospective data tends to under-report female unemployment.

The Experience of Frictional Unemployment

The reasons given for male job loss and their subsequent labour supply activity prior to 1984 reveal the relatively full employment of the period. In so doing they point to the opportunities and constraints of the wage earner cum social expenditure welfare regime. There were no reported episodes of registered unemployment prior to 1978. Richard Price's brief period out of work (two months), though, is referred to here as it is indicative of an extended (but not necessarily characteristic) spell of frictional unemployment. He resigned from his job in Hamilton when a promised promotion did not eventuate and he was without a job for eight weeks. His actions represent a voluntary withdrawal from a job which did not provide a satisfactory career path.

The episode illustrated his readiness to leave an unsatisfactory job and his confidence in being able to quickly find new employment. He was out of paid employment for eight weeks during which time he did not register as unemployed or claim a benefit. This was significant given the life-cycle stage of the family. Richard and Barbara Price had a one year old child and Barbara was eight months pregnant with their second child. Morris (1990:44-45) records how she found the psychological and financial strain of unemployment at this family life-cycle stage as being highly stressful for male workers. Richard Price commented that, "being out of work with a wife and one and a part family [was] a stress". The Prices survived by living on their savings and the proceeds from their house sale following their relocation from Hamilton to Palmerston North. However, not registering as unemployed is consistent with other descriptions of labour market activity in this period. Shirley et al (1990:124-5) note that:

In the 1950s and 1960s a worker may have been unemployed, but there was the expectation of getting a job in the immediate future. Unless there was an application for an unemployment benefit, there was no need to register.

The negative experience of unemployment, therefore, although affected by the life-cycle stage, was moderated by the likelihood of finding re-employment. Richard did not have a job to come to in Palmerston North and spent several weeks intensively searching before he found what he referred to as a "fill-in", full-time job as a warehouse manager. The fill-in job was not in the occupation of his choice (a sales representative), but it provided an equivalent income. He left after one year when he found work as a sales representative. In this instance, the Price's history also indicates that the assurance of re-employment facilitated household re-location. It would follow that such an assurance would have moderated the material and social costs of re-locating to allow him to leave a job not producing the progressive improvements in conditions he had expected.

Unemployment after 1978

The remaining episodes of male job loss all occurred after 1978 (see Table 8.1). In this respect, the experience of the households interviewed coincided with the national trend (Deeks et al 1994:396). Increasing unemployment from 1977 mirrored a declining labour demand (Braae and Gallacher 1983:34-45), yet the policy responses to that

unemployment contained important continuities from the activist, mid-century approach to the maintenance of full-employment (Endres 1989:133; New Zealand Planning Council 1980). Hence, the experience of those episodes of male unemployment that occurred in 1978 and 1979 can be taken to mirror the effects of mid-century full-employment activism. However, as two of these episodes of unemployment were experienced by younger cohort males (Grant Sykes and Mark Mills) prior to their own household formation, there will be limitations to their comparability with the experiences of the selected households after 1984.

TABLE 8.1
REASONS FOR JOB LOSS AND SUBSEQUENT
LABOUR SUPPLY ACTIVITY PRIOR TO 1984

Household and Name	Year	Reasons given for Job Loss	Immediate Subsequent Labour Supply Activity
Richard Price	1968	Voluntary resignation.	Full-time job.
Alan Foster	1978	Employer closed down.	Full-time job.
	1978	Employer closed down.	Temporary full-time job.
Grant Sykes	1979	Voluntary resignation (when not paid the award rate).	Unemployment benefit.
	1981	(Self employment venture falls through.)	Unemployment benefit.
Mark Mills	1979	Employer rationalisation.	Parental support.
James Adams	1979	Voluntary resignation.	Withdrawal from the labour force.

The Assurance of Re-employment

Alan Foster's experience of job loss twice in 1978 illustrated the effects of mid-century full-employment activism by virtue of his reported assurance of re-employment. Alan

explained that the first of these redundancies was a consequence of the normal life-cycle of a business. He reported that he was laid-off when his employer closed the business down for personal as opposed to broader economic reasons. Nevertheless, as Braae and Gallacher (1983:35) note, there was a downturn in economic activity in 1978. Sixteen carpenters employed in the firm were made redundant, yet within a week, Alan was re-employed as a maintenance carpenter with a new deer farming venture. The day they were laid-off, all 16 carpenters registered for the unemployment benefit, as much out of curiosity as necessity according to Alan. His wife Janice recalled Alan saying that he was not concerned by the lay-off as he expected to find another job "without any trouble". As Alan himself put it: "It was just one of those things that happen and it was just a matter of going off to the next job. You could sort of do that, but you can't really do that now". He reported that they were not particularly anxious and there was no change in Janice's labour supply activity to compensate - she continued working full-time. Alan Foster lost his new job as a maintenance carpenter later that year when his new employer was forced to close down, a reflection of the instability in the deer industry at that time. He did not register as unemployed, but reported that within days he had found temporary full-time work and he moved from this into a permanent full-time job after three weeks.

"Voluntary" Withdrawal from Dead-end Jobs

James Adams explained his six month withdrawal from the workforce in 1979 as "voluntary unemployment". While he was officially registered as unemployed, he did not receive the unemployment benefit as he was in a de-facto relationship with Sarah who was in full-time work. He was aged 26 at the time and described it, in retrospect, as "... time out - just a patch in my life where it was a break". James had had a succession of jobs as either a "storeman" or timber yard labourer. These jobs were characteristic of those in secondary, semi-skilled labour market segments and with little opportunity for career enhancement he reported that he opted to register as unemployed. His behaviour does suggest that he was discouraged by the absence of opportunities for progression out of this segment and he commented: "I used to say I would go out looking for a job, and I never did. ... I knew that if things got really tough I could go out and wash dishes, just

to get an income".

James and Sarah's activity is an example of change in the male breadwinner norm. However, James reported encountering strong normative pressure to return to full-time work. Referring to the period, he commented:

Well you can imagine the stress that is put on a family situation with the wife out working and the husband sitting at home doing nothing. ... It was coming from all round - from Sarah and from parents - it was frowned on.

When he returned to paid work after six months of "time out", he did so through family contacts with an undertaking business as a casual gardener and car washer. He explained that he was quickly assimilated into the full-time staff in this workplace:

I went to Smiths Funeral Directors for a start to mow their lawns ... and then through one thing and another, I just ended up working there. ... I went there specifically to mow their lawns, and the night before I started there I didn't sleep, wondering if I would handle it - would I have to see dead bodies and things - and I was only there for ten minutes and they had me in the mortuary, helping them in there, and it sort of went from there.

His quick incorporation into the full-time staff as a trainee embalmer may well be an indicator of difficulties in attracting workers into this particular occupation. The point here, though, is that when he made himself available for employment, he was readily absorbed back into the full-time permanent workforce. It also tends to suggest that his casual employment was a bridge back into full-time work.

Household/Social Support

The other instances of unemployment in this period indicate the effects of broader structural adjustments in the economy that began to occur from the late-1970s. Mark Mills's redundancy in 1979 was a forerunner to later, large-scale redundancy programmes in the public sector. Criticism of public sector inefficiency began to emerge from the late-1970s and brought pressure for reform (see Bertram 1993: 37-38). Mark Mills reported being made redundant from a job as a cartographer and illustrator for a government research agency as a result of "an efficiency drive". He was aged 21 at the time and explained as follows:

I remember being told about these ceiling cuts, which equated to me not having a job. My ... boss called me into his office and said, 'I'm sorry, you're a great guy, you do good work, ... but government ceilings mean [you have to leave]'.

More important here, though, was his activity following the job loss. Mark returned to his family home in Palmerston North and the financial support of his parents. He lived with them while out of work for several months and did not register as unemployed or apply for the unemployment benefit. He commented:

I was living at home so I didn't really need to I suppose. I hadn't got that desperate. ... I don't think I was being particularly diligent - I wasn't, sort of, hounding after a job.

As a single youth he was supported by his parents until he found a full-time job as a porter at a local geriatric hospital. It was not his preferred occupation and he referred to it as a "fill-in" job until he returned to design and art work, which he found as an illustrator for an advertising agency just over a year later.

Registration, 'Under the table' Work and Work Schemes

The final instance of job loss prior to the mid-1980s points to the development of the specific problem of youth unemployment (Shirley et al 1990:146-147). It also emphasised: the increasing propensity of the unemployed to register with the Department of Labour from this period; the processes involved in participation by the unemployed in the informal economy; and the impact of government work schemes. Grant Sykes' experience is characteristic of the impact of structural unemployment on unskilled youth facing a decline in access to jobs with opportunities for workplace training in the late-1970s. Unemployment did begin to rise sharply in the late-1970s "irrespective of the measure used to calculate it" (Shirley et al 1990:115). As an unskilled school leaver in 1978, Grant found a labouring job as a roofer. Later (in 1979), when he found he was being paid below the award rate, he "walked off" the job. This suggests that, like James Adams, he had a weak labour market attachment and was prepared to voluntarily withdraw from a secondary labour segment. He explained, "I was quite prepared to just leave, and find something else to do". He reported that as a 17 year old in a labouring job he was not confident enough to approach his employer to try to resolve the problem and be paid his award rate. Rather, he registered as unemployed and, without restrictive

stand-down criteria, began to receive the unemployment benefit.

Grant's case also illustrates involvement in the informal economy in preference to accepting a lower-paid job with poor conditions. While on the unemployment benefit he worked on an undeclared basis for a firewood cutting business. He was taken "under the wing" of an older retiree who provided him regular, "under the table, cash in hand" work that lasted for about six months. He explained as follows:

Off we [would] go at four o'clock in the morning - off to chop trees and firewood - [using a] chainsaw - and it worked out really good, and I really enjoyed it. We would start early in the morning and be finished by 12 or two, and we would have, say, half a dozen loads done, and there was \$300 or \$400 worth. ... It was pretty typical of those days - if you didn't care about your job you could go on the dole, get some money, get another job and away you go again.

The woodcutting is therefore indicative of one type of work provided within informal social support networks outside of the household. The fact that he was "taken under the wing" points to the existence of informal forms of support which had the effect of alleviating the negative social impact and isolation which may accompany unemployment (cf Morris 1990:56). Grant described the work as having benefits in terms of the opportunities it provided for the maintenance of personal financial responsibility, in spite of its illicit 'under the table' nature.

Another point of interest signalled in Grant Sykes' case was the new propensity to register as unemployed. Alan Foster and James Adams had also registered as unemployed following job loss. Braae and Gallacher (1983:34) have noted that the substantial growth in registered unemployment between 1976 and 1981 represented a "massive" shift out of unregistered unemployment into registered unemployment - what they refer to as an increase in the penetration rate of registration (see also Poot and Brosnan 1980). They note that this began to be adopted as a new behaviour by the unemployed through the late 1970s. Braae and Gallacher (1983:34) suggest that the incentive of income - the unemployment benefit - that was offered by registration and the access that was provided to the Department of Labour's employment service were important factors behind the new propensity to register.

Grant Sykes confirmed that in his case, access to the unemployment benefit was the

prime reason for registering. He was less enthusiastic about the obligations to participate in job creation schemes. After six months he was required to take part in a Labour Department forestry work-scheme to maintain his eligibility for the unemployment benefit. The provision of such schemes by the Department of Labour reflected their explicit aim at that time to maintain full employment (Shirley et al 1990:80; NZOYB 1981:787). Grant Sykes reported, "I couldn't really say no, and that [scheme] ran for about six months. ... You were still on the dole but you got paid normal wages".¹ Initially, subsidised work schemes were successful in absorbing the increases in unemployment (Deeks et al 1994:396), as Grant's history exemplifies. On completion of the six month course he returned to the full-time workforce, suggesting that in his case the scheme did provide for the opportunity to acquire and develop work-skills and habits (Shirley et al 1990:30).

REDUNDANCIES AND UNEMPLOYMENT AFTER 1984

Dramatic increases in unemployment followed the transition to a liberal welfare regime, the unemployment rate rising from 3.8 per cent in 1986 to peak at 11.1 per cent in 1992 (Kelsey 1995:260; Deeks et al 1994:397). The high incidence of unemployment in the study households after 1984 indicates that they were not spared from the broader social and economic developments. The concern here is to consider the impact of that unemployment on the households and to examine their responses within the context of the opportunities made available by the liberal welfare regime.

Reasons Given for Job Loss

With one exception, every instance of unemployment after 1984 was explained by employer closure or rationalisation, be that in the private sector or as a consequence of

¹ While receiving the unemployment benefit, the terms of the scheme at the time required that he be paid the award wage.

the programme of public sector restructuring (see Table 8.2).

A brief summary of the explanation for each incident follows:

- * Jim Malone reported being forced to resign in 1991. With the backing of his employer, he successfully claimed accident compensation, the grounds being a head injury he had suffered back in 1974. At that time, he explained, there was a downturn in the motor reconditioning business. As noted in Chapter 5, his employer was reducing staff numbers by not replacing those who left. His job loss is therefore more accurately described as resulting from a company rationalisation strategy. With accident compensation used as a substitute for the unemployment benefit, his was a case of disguised unemployment.
- * Mike Cook was made redundant from a publishing house in 1988 after the business closed down its printing activities in an attempt to remain solvent. The firm went out of business one year later.
- * Noeleen Fraser was made redundant from her part-time job as a tea attendant for a public sector agency in 1988. Her redundancy was part of a broader programme of staff cut-backs that occurred following the establishment of public sector agencies as state corporations.
- * Both Geoff Wood and Denise Wood were made redundant from the farm animal advisory agency in 1990/1991 when, in a programme of national restructuring, it relocated its Palmerston North operations to Christchurch. Geoff Wood was re-employed on a part-time basis, but his hours of work were steadily cut back until he was effectively laid-off again in mid-1994.
- * Nigel Wilson was made redundant from his position as a health administrator at a North Island public hospital in 1988 when the system of management by nurse, doctor and administrator was replaced by general management (see also Ashton 1992:150 for an outline of the broader developments).
- * Dan Young was made redundant twice within six months. In the first instance, in mid-1990, he was laid-off as a production manager of a small meat processing business when his position became superfluous. Dan subsequently found a tenuous job as a "backyard butcher" for a small business servicing local

supermarkets. The business was forced to close in January 1991 and he lost his job again.

- * Richard Price was twice made redundant from a job as a farm machinery sales representative - in 1986 and 1993. In both instances a downturn in the farming sector had caused a decline in business. The firm's response each time was to lay-off permanent staff.
- * Mark Mills was made redundant in 1990 when the large department store for which he worked as a display manager was forced to close down. Mark was also fired from two jobs - first in 1981 and again in 1985. He reported that in each case he found another job within two weeks and did not consider himself to be unemployed.
- * In 1985 Sarah Adams lost her job as an assistant manager in a large grocery store when it was forced to close.
- * Len Bassett's "forced resignation" in 1984 was the exception. His explanation suggests that the cause of his job loss lay in his lack of managerial experience, given his secretarial training. The forced resignation occurred at a time of increasing emphasis on managerialism in business administration. He explained, "I think they were looking for someone to be more managerial rather than doing the secretary work".

Apart from Len Bassett's case where he was "forced to resign", each instance of unemployment was an outcome of responses by employers to the broader programme of private and public sector rationalisation. To this extent, the examples of unemployment represent the effects of the structural adjustments, promoted by a new menu of policies, from the mid-1980s (Chapter 3). Public sector lay-offs mirror corporatisation strategies and the introduction of private sector logic. Business closures were indicative of the effects of the removal of trade protections, monetary policy reform and economic recession. The responses by companies to difficult economic circumstances, as Richard Price's case suggests, were the outcome of a new policy regime designed to promote and facilitate numerical flexibility, the ability to alter at short notice the amount of labour employed (see Harris and Daldy 1994:93). Redundancy programmes became a new tool in the promotion of business rationalisation and signalled the introduction of new

practices in the labour demand context.

**TABLE 8.2 REASONS FOR JOB LOSS AND
SUBSEQUENT LABOUR SUPPLY AFTER 1984**

Household and Name	Sex	Year	Reasons given for Job Loss	Immediate Subsequent Labour Supply Activity
Jim Malone	Male	1991	Employer rationalisation.	Accident Compensation.
Mike Cook	Male	1988	Employer rationalisation.	Unemployment benefit.
Noeleen Fraser	Female	1988	Employer rationalisation.	Withdrawal from labour force and cash/hobby work.
Geoff Wood	Male	1990	Employer rationalisation.	Non-guaranteed part-time hours.
Denise Wood	Female	1991	Employer rationalisation.	Withdrawal from labour force.
Nigel Wilson	Male	1988	Employer rationalisation.	Part-time job.
		1994	(Resigned - poor health reasons.)	(Sickness benefit.)
Len Bassett	Male	1984	Forced resignation.	Part-time job.
Dan Young	Male	1990	Employer rationalisation.	Non-guaranteed hours.
		1991	Employer rationalisation.	Part-time job.
Richard Price	Male	1986	Employer rationalisation.	Unemployment benefit.
		1993	Employer rationalisation.	Unemployment benefit.
Mark Mills	Male	1990	Employer closed down.	Unemployment benefit/informal economy.
Sarah Adams	Female	1985	Employer closed down.	Withdrawal from labour force.

Registration as Unemployed and the Claiming of Benefits

The pressures which increased the propensity to register as unemployed following job loss in the late-1970s were exacerbated in the liberal regime. As Braae and Gallacher (1983:35) note, an increase in unemployment will generate pessimism both for finding a job and for the length of time it will take to find one, thus raising the propensity to register as unemployed. Rising unemployment, as a consequence of large-scale redundancy programmes, increased the proportion of unemployed with high levels of labour market attachment. "These people [were] likely to have a greater desire or need to re-enter the workforce, so could be expected to have a higher propensity to register as unemployed" (Braae and Gallacher 1983:35). Furthermore, the growth in unemployment itself may have decreased any hesitation to register arising from the negative stigma attached to receiving the dole (Braae and Gallacher 1983:35-36). Deeks et al (1994:396-7) also note that "from the mid-1980s, the phasing out of fully subsidised employment and a cut-back in partially subsidised jobs left the majority of the unemployed on the unemployment register".

Alternative labour supply options for males in the households studied were scarce given the structural nature of the unemployment. Registering as unemployed and claiming the benefit therefore became more accepted as a response to job loss, although Table 8.2 also indicates a variety of other responses. Mike Cook, Richard Price and Mark Mills all registered and began to claim the benefit. In each case, they were the primary breadwinners and, at the time of application, had no expectation of finding a job in the immediate future. Mike Cook commented after hearing of his redundancy:

Things, immediately, were desperate for us. ... At my age, then I was 55, ... [I was] told by the [Employment Service] ... that 'at your age there's not much chance of you getting another job'.

The experience of unemployment changed from merely being a transitional phase in-between jobs to a potentially long-term lay-off. Easton (1991) has metaphorically described the experience as having changed from a "lake", through which workers "flowed" as they progressed to new jobs, to a "sump" in which they were forced to wait for long periods. The unemployment benefit was a primary form of income available while in this "sump".

Despite the negative stigma that was attached to receiving the unemployment benefit, the regularity and security of income it offered was preferred by some to the poorer conditions offered at the time of redundancy. In 1986, Richard Price was offered the opportunity to remain in the employ of the firm, but at half of his former wage and with severely reduced conditions. He chose instead the guaranteed weekly unemployment benefit. Similarly, he was also offered alternative conditions at the time of his 1993 redundancy:

I was given the choice of a lesser situation ... without any guarantees at all that we would be kept on after a three month trial period ... Then I would probably have been required to move, at our own expense, to another North Island centre. ... Now, we're very established in Palmerston North. The proposal was full of hooks - I just knew that it was not the thing to do.

Richard and Barbara Price saw their only viable alternative as being the security of income offered by the unemployment benefit and the guarantee of being able to remain in their own home. The risks involved in accepting employment but with reduced conditions were judged to be too great.

While registering as unemployed became a more common response to job loss, the unemployment benefit became increasingly difficult to secure as eligibility criteria were tightened from the late-1980s (Shirley et al 1990:95), and especially after the 1990/1991 benefit cuts (St John 1994; Kelsey 1995:277). With closer targeting, four of the male respondents, Geoff Wood, Nigel Wilson, Len Bassett and Dan Young, were all ineligible for income assistance given the earnings of their wives. Sarah Adams and Noeleen Fraser were also ineligible, being married to fully-employed male breadwinners. A further example of the confounding impact of the secondary employment of women was in the Cook household. When Mike Cook applied for the unemployment benefit in 1988, his wife Joy had two part-time jobs - a half time position (20 hours per week) as a librarian and teacher-aide, and a part-time position as an attendant care-giver (9 hours per week). The eligibility criteria did not accommodate the variations that Joy Cook's changeable work arrangements presented. Fluctuations in her part-time earnings (not being paid during the school holidays) meant that their eligibility for income assistance was limited to school holidays. The difficult eligibility criteria, along with a reluctance by Joy to become the primary earner, increased the pressure on Mike to register as

unemployed and to accept any job he could.

While these families did not use the unemployment benefit, they compensated by undertaking additional piecemeal forms of employment. Facing long-term periods of unemployment, the households were unable to absorb the costs of supporting their out-of-work members in the same way as they had previously. The use of household savings to tide them over was simply not feasible.

TWO RESPONSES TO UNEMPLOYMENT

The concern here is to observe the unemployment experienced by the selected households, their responses to it, and to note how these mirrored the constraints or opportunities of the liberal welfare regime. The households demonstrated a variety of responses beyond registering as unemployed and claiming benefits. The responses can be grouped into two general categories: the added-worker effect and the discouraged-worker effect (cf Morris 1990:71; Hicks 1985:53). Rankin (1991:524) defines **added workers** as "people who enter the workforce to avoid a fall in their household's income or who stay because the main breadwinners ... suffer losses of income". The notion has been used to refer to household members, usually women, who make extra efforts to maintain household income. The notable feature of additional labour supply is its tenuous nature. Added workers will usually be more willing to agree to lower wages and conditions than household breadwinners, whose wages have historically been defined by the minimum award rates. Added workers, on the other hand, in responding to "income necessity rather than to wage incentives" are more likely to take whatever paid work they can find (Rankin 1991:524). The notion of the **discouraged worker** refers to those who after job loss or when facing difficulty finding a job, tend to withdraw from the labour market. Discouraged workers represent a form of disguised or hidden unemployment (Shiple 1982:83).

The Increasing Importance of Female Earnings

As Rankin (1991) and Morris (1990) note, added workers are usually conceived of as women who supply extra labour to make up for shortfalls in income caused by male breadwinner unemployment or income loss. There was clear evidence of this occurring in several of the households studied. As all of the households which experienced redundancy and unemployment had female members already in ongoing part-time or casual employment (excepting the Malone household), the added worker response typically involved females increasing their level of employment.

Margaret Young's acceptance of an offer from her employer to increase her hours from part-time to full-time, following Dan Young's job loss in 1991, was one instance of the added-worker effect. She worked as a shop assistant and, although on what she reported was a low income, the work ensured ongoing household solvency. As it was, Dan Young was ineligible for the unemployment benefit given Margaret's part-time earnings. Similarly, Shirley Bassett reported increasing her hours of work as a casual district nurse after husband Len lost his job in 1984. While her earnings were at a level where, at that time, Len was still eligible for the unemployment benefit, the need to apply for the benefit or immediately find work was reduced. Len recalled how the contribution of her income tempered the negative income effects of his job loss: "At that time Shirley was still working, so it wasn't quite the problem it would have been. ... She was doing night duty - so we coped".

Another response that can be classified as a female added-worker effect, in terms of "a concerted effort ... to maintain household income" (Morris 1990:71), involved Denise Wood's self-employment. Denise and Geoff Wood were both made redundant in 1990/1991, with Geoff being re-employed on a part to full-time basis. By January 1994, Geoff Wood's hours of work were reduced to five days a month, "and not every day was eight hours". Using their savings and 1990/1991 redundancy payments, Denise Wood bought a small cake shop as a means of maintaining an income. She explained that:

We had to do something because we had no income - our income had virtually stopped. ... It was the only way we could go. The savings were going down the drain pretty quick too. So we thought - while we had it there it was better to buy something and have a bit of money coming through. ... It's

only a small business, ... enough to keep ourselves going without touching the little bit we have left.
... It just gives us a living.

By mid-1994, Geoff's hours were reduced altogether, but the household supported itself without resorting to unemployment benefit assistance through the added labour supplied by Denise.

There was some evidence that the increasing importance of female earnings, where additional female labour had been supplied for the maintenance of household solvency, did disrupt the traditional roles and identities in each household. In the Bassett and Young households, however, the disruptions were only temporary and traditional roles were adopted again following re-employment of the male. As noted in Chapter 6, once Dan Young began to contribute an income equal to his full-time employed wife Margaret, she was keen to re-assert his status and identity as the main breadwinner (cf also Morris 1990:139). Despite having been the primary earner for over a year, she continued to define her work as "additional" in terms of assisting her husband in his breadwinning role by supplementing his earnings. In the Wood household, Denise's self-employment in the cake shop had become the sole source of household income. However, it was not seen as "proper" work, but as an extension of her domestic proficiency and as a stopgap measure to ensure the household continued to have income. So where female employment had become the ongoing source of household income, the cultural meanings attached to that work tended to devalue its status within the household.

Male Self-Employment

Several males engaged in self-employment as a means of maintaining household income following job loss. As with Denise Wood, the self-employment was an initial response to supplement another source of household income that was inadequate. To this extent, self-employment by males as a response to job loss tended to have the same characteristics as that implied in the added-worker effect. It was a labour supply response to income necessity rather than wage incentives (Rankin 1991:524). As such, it mirrored responses by this type of household to the constraints and opportunities of unemployment in the liberal welfare regime.

Mark Mills' history provided an example of self-employment as a response typical of the added-worker effect. The other notable feature of his case was that the work was undeclared or unofficial for the first six months. He reported that, following his redundancy in 1990, he found the unemployment benefit inadequate, given his family's life-cycle stage. As the breadwinner, he was under pressure to provide an income. And, as has been observed by St John (1994), the closer targeting of benefits had the effect of turning many beneficiaries into "benefit abusers". He explained that:

Bernadette was pregnant and we had [two] kids by then, and Bernadette was low on work, if she had any at all, and we still had the mortgage, so it was more imperative that I do work, and so I was stressed out to the maximum.

Mark described his job search activity at that time:

I was scouring the papers [for jobs] ... I walked down [through the industrial sector of the city], down through all the factories saying, 'I'm a labourer, is there work going?' ... I think you could safely say we were desperate.

He was unsuccessful in his search and began to work 'under the table' preparing advertisements and screen printing. Mark obtained the work through personal contacts from his previous job. He indicated that, in his case, the existence of that social network provided an important form of access to earning opportunities which defined his response to unemployment (cf Morris 1990:54). The income was undeclared and was additional to the benefit so that his earnings ranged from \$800 to \$2,000 a month. It was seen and used as household income rather than as discretionary spending for males, as Morris (1990:54) reported is often the case for illicit earnings by men while on a benefit.

Mark reported that the work "kept us afloat over those years", but added that it had its own problems:

I was stressed out to the maximum. Because when you start doing that work under-the-table, you start worrying about GST, and should I apply. [You think,] 'I have gone so far now - they are going to cut my head off and take my house away now, already, because I haven't paid any tax for the last three months', or whatever. ... I was stressed-out pretty fully.

To sum up, the reasons given by Mark Mills for engaging in undeclared work were: a need to earn an income given the family life-cycle stage; the need to meet mortgage

payments on the house; an unsuccessful job search; and an inadequate unemployment benefit. Given the link with job loss, this type of added worker labour supply, with its inherent vulnerability and high levels of stress, was more likely to exist in the environment of high unemployment from the mid-1980s. Broader estimates on the extent of such work are obviously difficult to determine, but Haines (1991:3) calculated that output produced by such work was anything between 3 per cent and 15 per cent of GDP. The rising level of unemployment from the mid-1980s would suggest that it grew during the period.

After six months of undeclared work, Mark Mills took a small business course, left the register of unemployed, went off the benefit, and began working as an "above-board" self-employed art and design worker. His self-employment was a direct response to the structural unemployment he had experienced. Haines (1991:5 ff) notes that growth in self-employment in small businesses in New Zealand occurred in startling fashion from the early-1980s, coinciding with structural change in the economy and rising unemployment (see also Department of Statistics 1993a:40). Self-employment in small business was promoted as an expression of the 'enterprise culture' advanced by advocates of the new welfare regime. The reality of the experience in Mark Mills' case was that it was difficult to sustain a living income. Income was erratic and after paying tax, was equivalent to the unemployment benefit. He commented that, "starting out in a field like that, with no reputation, I quickly learned that you can't charge any [big] money - because I haven't got a reputation". Again this coincides with the picture Haines (1991:28) portrays. She reported that in 1986, self-employed men working in crafts comparable with Mark Mills' field of art and design work, earned annual incomes averaging below \$16,000. Mark reported that his earnings were not sustainable over the long-term and he continued to search for a full-time job throughout the 18 months he was self-employed.

Dan Young's work history also contained an example of self-employment as a strategy to supplement inadequate household income after an episode of unemployment, although in his case his employer forced those terms onto him. Following the loss of two jobs within the space of six months between mid-1991 and January 1992, he found a job as

a "commission agent" for a business which serviced charity sweets dispensers (often found on shop counters). Dan reported having reservations about what he described as the ambiguous nature of its terms and conditions, but despite his misgivings, he accepted the job. He was ineligible for the unemployment benefit, given his wife's income, and prepared to take whatever he could find.

After one year his employer instituted a fundamental change to the method of payment. Dan was given his own GST number to file tax returns and was set up as a small business. He was shifted from the status of employee to that of sub-contractor. As such, he had no guarantee of income or of the minimum protections offered to wage earners. Dan was a victim of his employer's strategy to "externalise" its workforce (Deeks et al 1994:420; Bruhnes 1989:13), whereby work is put out to individuals not bound by a contract of employment. The new method of payment was instituted in mid-1993. By the time of the interviews in late 1994, Dan's returns from the work had declined by a half to those equivalent to a part-time job.

The other example in Dan Young's history of self-employment was his casual engineering work from late 1994. He used the sub-contracting status he had previously gained, to hire himself out as a welder to compensate for the declining earnings from his commission agency. Dan went back to night school to update welding skills, first obtained in his apprenticeship in the late-1950s, and began to approach engineering firms for work. He used his self-employed status to make himself more competitive than other job seekers. By offering himself as a sub-contractor, his employers had no obligation to hire him on a permanent basis and could avoid the secondary costs associated with the employment of staff. He explained the situation as follows:

With my job as a commission agent, I had to set up a company ... and what I have done with the engineering is ... gone to [potential employers] and said, 'Hey, I've got this company, and I think it might suit you - and it will be a lot clearer and easier if I charge you X number of dollars per hour, plus GST, and I pay my own tax, my own holiday pay, my own statutory holidays, my own sickness, my own ACC'. So I am contracting myself on an hourly rate out to them.

He reported that he requested employers to pay him the same rate they paid other staff minus the statutory protections. In attempting to find work, then, he had effectively

waived that protection by using his self-employed status. The strategy allowed him to reduce the cost to potential employers by lowering the real price they would have to pay for his labour, and thus enhanced his chance of finding employment. Potential employers were able to shift some of the expenses and risks associated with the employment of labour, especially the application of legal minimum conditions. It was another example of short-term and externalised work (Deeks et al 1994:420).

The experiences of Mark Mills, Dan Young and Denise Wood suggest that in this welfare regime they withdrew from the labour market and took undeclared work or self-employment, not by choice, but because they had no alternative. They were therefore forced to accept conditions of low and little guarantee of income, little protection from adversity and a tendency for the business to run down and cease operating. As the Department of Statistics (1993a:48) notes, 42 per cent of small businesses have ceased operation by the end of the third year, a rate higher than that of bigger businesses. In the cases of Denise Wood, Dan Young and Mark Mills, unemployment played an important role in the process by which they became part of the externalised workforce (see also Department of Statistics 1993a:39).

The Acceptance of Poorer Conditions

Walby (1991:179) has noted that after a period out of the labour market, women tend to re-enter at a lower level than when they left. The same type of outcome occurred in the histories of both the men and the women in the households studied when they were re-employed following redundancy and unemployment. All of the respondents who lost their jobs from the mid-1980s, lowered their subsequent employment expectations. Their experience of redundancy and unemployment was directly linked to a readiness to accept markedly poorer terms and conditions, and a willingness to abandon occupational preferences in order to simply gain a job (cf also Collins 1994:65).

To this extent, their activity mirrored the propensity for added workers to accept lower wages and conditions. The process of intensive job search following redundancy was the point at which Richard Price's expectations were lowered. He unsuccessfully applied for

over 20 jobs in the first two weeks after hearing of his redundancy in 1986. He commented, "I know a lot of them didn't reply. ... I was very close to a number, but they never eventuated". The period was obviously painful and Richard had tears in his eyes when recalling it. He described one application for a job at a local dairy factory where the interviewing manager said:

... "Richard - it's all wrong, you should be here interviewing me for this job". In other words he was trying to say, "you are too good for this job". I said, "No, no Bruce, all I want is a job, I'm quite happy". "Oh", he said, "we'll talk about rugby. I don't want to talk about [the job application]. As far as I'm concerned", he said, "you start when you like, but you know I don't decide that".

Richard did not get the job and reported receiving a "thanks for your interest" letter. "That really hurt", he said. The process of unsuccessful job search led to a significant lowering of his expectations. He was prepared to take the lower status job for which his interviewer asserted he was overqualified.

Eight months after the 1986 redundancy, Richard Price was offered his old job back. After the string of unsuccessful job applications he was prepared to return to an employer who had previously laid him off. The tone of his explanation for doing so indicated his relief at simply receiving the offer. He said:

Well, I made my decision in two seconds. ... I had no reservations about going back. For me it was a major part of my life. I had had seven to eight months to think about it, and to fully realise that it was a jolly good job ... I never dreamt it would come again.

He returned to work for his old employer in 1987, but when the firm began to face financial difficulty again in 1993, he was laid-off a second time.

Richard did find another job seven months later. Again he reported accepting lower income and poorer conditions, part of which involved his paying for extra miscellaneous expenses (travel and work items) that were previously covered by employers. He had also been promised a wage increase to come into effect after a specified period of time, but at the time of the interviews it had not been given. He did not have a written employment contract and, given his previous experiences of job loss, was reluctant to approach his employer about these matters. He commented:

When I left [Bevans], my salary was in the mid 20s, and this job came along, and I was told what

it would be, and that it would be increased after a certain time, which hasn't happened. I can't do anything about it. ... I won't go stirring because of that very fact that there are plenty of people out there who will take this job.

He described his employer's attitude to the employment relationship as "take it or leave it". Richard was, therefore, not prepared to "rock the boat". Barbara Price summed up their resigned attitude and powerless position when she said, "we just wear it". The reluctance to seek better conditions can be compared to their responses in 1965 and 1968 when, facing similar types of problems, Richard was willing to leave his jobs for something better.

The same type of experience was also evident in Mark Mills' and Mike Cook's histories. When pressed to find a job, they were also prepared to accept lower skilled and poorer paying work. Mark Mills noted that he "scoured the papers" looking for any kind of work and was offering himself as a labourer. Mike Cook's job search activity was similar, and he commented, "I [was] prepared to do anything else". The readiness "to do anything else" occurred in an environment of high unemployment. Their activity illustrated the strategy of withdrawing their offer of specialised skills and offering instead more generalised skills in order to immunise against the competition of other workers (see Offe 1985:31).

The strategy of accepting lower conditions was clearly evident in Len Bassett's work history. He was out of work for 21 months in 1984 and 1985 before finding a job with Telecom. When he took the job he started on a salary of \$19,000, a drop from the \$26,000 (and car) that he had previously received. He noted:

The sort of job I was looking for - they were few and far between.

When I left I would have hoped that I would get a comparable sort of job - but when I saw what was being advertised in the areas that were vacant - there were very few ... that could use my abilities.

During the period out of full-time employment he adapted his labour supply by significantly lowering his expectations of acceptable conditions. The ultimate adaptation strategy was one of "economizing on income" (see Offe 1985:18).

Fill-in Jobs

Another indicator of the readiness to accept jobs with poorer conditions can be observed by noting the characteristics of those jobs referred to as "fill-ins" taken after an episode of unemployment. "Fill-in" jobs were those outside the preferred occupation. Prior to 1984, Richard Price, Mark Mills and Alan Foster each noted that after their experiences of unemployment they returned to "fill-in" jobs until something more desirable came along. Richard Price's was as a warehouse manager, Alan Foster's as a builder, and Mark Mills' as a hospital porter. In each case these fill-in jobs had the characteristics of a standard, full-time job.

Jobs that were referred to as "fill-ins" from the mid-1980s, however, were quite different. In 1984, Len Bassett worked for over a year in what he described as a "fill-in" part-time job as a secretary, completing accounts for a small business. The job was for 20 hours or less per week. It paid a minimum rate and was not covered by the statutory protections of a full-time job. Dan Young described his temporary, part-time gardening job, taken on after his second redundancy in six months in 1991, as a "fill-in". It can be compared to his experience in 1963 when he took a garage attendant job which he also described as "only just a fill-in". As a garage attendant he worked full-time and was paid the same wage he had been receiving previously as a fitter and turner. The part-time and temporary nature of his "fill-in" job in 1991 was clearly more insecure.

Withdrawal from the Labour Market

The other type of general response to the unemployment of the liberal welfare regime was typical of that of discouraged workers and resulted in withdrawal from the labour market. In two cases withdrawal occurred when workers left their jobs and began to receive benefits which did not require registering as unemployed. Jim Malone claimed accident compensation after 1991, and Nigel Wilson's "resignation" in 1994 was followed by his claiming a sickness benefit. These instances exemplify how accident compensation and the sickness benefit served as functional alternatives to the unemployment benefit. The effect was to disguise the unemployment. Jim Malone did

effectively withdraw from the labour market after being forced to resign. His experience might also be described as an early retirement. Nigel Wilson intended to return to full-time work in a less demanding job.

The three women listed in Table 8.2 all withdrew from the labour market following their job losses. At the time, Sarah Adams was planning to leave her job to have her first child. Noeleen Fraser and Denise Wood both withdrew from the labour market following their redundancies as they both reported believing they would not find a job - a characteristic typical of the discouraged worker (Shiple 1982:112).

In Noeleen Fraser's case, the redundancy had a discouraging effect and she withdrew from the formal economy. Given her strong male breadwinner household context, her attachment to paid employment was not strong. She reported that the experience had undermined her confidence and that at her age she would not search for another paid job. "I haven't tried anywhere else because I sort of feel I'm over the hill". She was 49 at the time. She had since entered an informal labour market, knitting baby-wear and other garments for shops or as requested. Like much informal economy work, it provided poor returns for the amount of effort involved (Wilkinson 1991). Her dependence on the income it did provide, however, was a consequence of her limited financial independence within her "domestic allowance" male breadwinner household (as noted in Chapter 6). Denise Wood also withdrew from the labour market following her redundancy in 1991. She remained out of the workforce until 1994 when income necessity forced her into self-employment.

Limitations of Regional Mobility

The experience of unemployment from the mid-1980s, as recorded in the work histories, also provided examples of labour supply strategies which involved the pursuit of jobs in other centres. Dan Young, for example, after finding himself without a job in Palmerston North in 1988, accepted a position in Wellington as an assistant manager in a meat processing business. Dan moved to Wellington by himself while his wife Margaret and their youngest daughter, the only child still at home, remained in

Palmerston North. They planned to move to Wellington later that year when their daughter finished high school. This, however, did not eventuate and Dan Young returned to Palmerston North nine months later. He explained that "the financial burden of selling the house here for \$100,000 or \$90,000 and buying one down there for \$180,000 just wasn't on". He added that "staying in Wellington was too hard on the wife and family. She was on the verge of having a breakdown I felt". His explanation indicated that both the material and the non-material costs of shifting to Wellington were unsustainable. The non-material costs were linked to the life-cycle stage of the family, their daughter's ongoing educational needs and the requirement that they live apart so he could hold onto the job. The result was that the strategy proved unworkable for the household.

Nigel and Sue Wilson did shift to another centre after an episode of unemployment when Nigel found a job. He reported that he had "visions of just getting a part-time job" after his redundancy in 1988. They continued to live in Wanganui where Sue Wilson worked full-time, but Nigel found his part-time income inadequate and experienced difficulty being financially dependent on his female partner. After over a year in part-time work he gained a full-time job as a debt collector for the health service in Wellington. In 1990 and 1992 they shifted to Upper Hutt and Wellington respectively, in order to make the travel manageable. The shift required Sue Wilson moving from her job as a matron of an old person's home in Wanganui to one as a matron of a home in Upper Hutt and, later, to a position as a shop assistant for a department store in Wellington. Regional mobility as an employment strategy after an episode of unemployment occurred at the expense of the female's continuity of work and career development.

SUMMARY

The objective of this chapter has been to observe the effects of the historically variable impact of and response to unemployment in terms of the labour supply activity of households. This is based on the premise that household labour supply responses to unemployment mirror the particular constraints and opportunities in each regime. The

work history data provided the basis for the observation of household variations in the effects of unemployment over time. The household focus provided for observation of the way unemployment affected and disrupted relationships within the households in terms of traditional roles and identities.

As expected, the review did indicate markedly different experiences of unemployment across regimes. Prior to the late-1970s, frictional unemployment was the norm for male workers as they voluntarily moved between jobs or searched for better jobs from available vacancies. Female unemployment, however, did tend to be disguised and therefore invisible, mirroring the domestic work role and economic dependence of women on their husbands. Unemployment in the 1960s and early-1970s did not normally result in workers registering as unemployed and receiving state income assistance. Rather, households themselves bore the costs of supporting their members through these episodes. The negative effects of job loss tended to be moderated by assurance of re-employment. With full employment, families were able to support their unemployed members for the short time they were likely to be without a job. This type of labour market experience is consistent with the premises of the male wage earner model. Males, as household breadwinners, met their family income needs from the labour market and had little need for the residual system of income maintenance when they were assured a job. Assumptions and concerns about the disincentive effects of the unemployment benefit did not apply in these cases.

When structural unemployment did emerge in the late-1970s, the propensity to register as unemployed increased. It was in this context that the unemployment benefit became an alternative source of support for young unskilled workers facing few opportunities in secondary segments of the labour market. Registering as unemployed provided access to benefits as well as government employment services. The job creation programmes indicated the persistent commitment to the maintenance of high employment levels through this period, and while they had the effect of masking the true level of unemployment, there was evidence they provided a means by which young workers could develop and maintain work practices.

With 10 of the 13 households selected for this research experiencing unemployment after 1984, there was a useful body of data on the experience of unemployment in the liberal welfare regime. The sharp rise in unemployment exacerbated the propensity to register as unemployed given the pessimism associated with finding a job and the greater length of time workers were likely to be out of a job. This was particularly the case for those households where primary breadwinners lost their job and where (through life-cycle stage and female position in the labour market) it was the only sustainable option. There was no evidence from these cases to imply that the availability of an unemployment benefit resulted in disincentives to supply labour. Nevertheless, it was within this context that benefits were cut and eligibility criteria tightened.

Household responses tended to imply two general patterns of activity - the added-worker effect and the discouraged-worker effect. Added workers in responding to income necessity tended to be forced to take whatever work they could find, work often characterised by poorer conditions and lower income returns. It included self-employment (also undeclared self-employment) where the statutory protections of waged workers were not available. The added worker response was also representative of a broader process by which employers externalised their workforce. Self-employment as a response to unemployment in the liberal regime, therefore, tended to offer little household employment and income security.

All respondents who were re-employed as wage workers following redundancy and unemployment reported accepting positions that offered poorer conditions than those jobs which they lost. And the nature of the "fill-in" job was notably different in the liberal regime. Where previously they were jobs with standard full-time characteristics, but not in the preferred occupation, in the liberal regime they tended to be temporary, part-time and offer little income security.

The other type of response to unemployment was typical of the discouraged-worker effect and resulted in workers withdrawing from the labour market. Women, in the male breadwinner household context, were most vulnerable to this, with each female who was made redundant withdrawing from the labour market and entering either unpaid domestic

work or work in the informal economy. While discouraged workers are usually conceived of as women (Shipley 1982), the work history data suggested that older cohort males were also vulnerable to this effect in the liberal regime. Discouraged male workers, though, moved out of employment onto accident compensation and the sickness benefit. Both male and female responses that were typical of the discouraged-worker effect were a disguised form of unemployment.

Strategies of regional mobility in response to unemployment were demonstrated to be costly in both material and non-material terms. The housing costs, along with the practicalities of finding a job, keeping it until the family was ready to move, and meeting the various needs of family members in that process, were prohibitive. The added insecurity of an environment of high unemployment raised the level of risk to a point where relocating could become an unlikely option. The process was further complicated by the labour supply activity of other members in the household, with household relocation for the employment of a male breadwinner requiring employed females to change jobs.

The challenges to male breadwinner normative structures arising from the presence of unemployed breadwinners tended to be short-lived. Male identities as providers were threatened by redundancy and unemployment, and men were reluctant to adopt the role of economic dependants (as reported in Chapter 6, in particular in the Wilson household where Sue Wilson left full-time work to maintain her husband's status as breadwinner through the sickness benefit). In instances where women did become the primary earner, there was evidence that they sought to maintain their husband's status and responsibility as breadwinner by de-valuing their own contribution to the household income and describing it as an extension of the domestic work role. Any disruptions to male breadwinner normative structures that did arise from unemployment were restored following male re-employment.

It can be taken from this analysis, therefore, that the experience of unemployment in each regime differed markedly. The level of unemployment also played a crucial role in the level of worker security, an issue which is examined in the following chapter.

9

LABOUR MARKET SECURITY FOR MALE BREADWINNERS

Changes in the nexus between households and work can also be observed by noting trends in labour market security. The examination of labour market security has, from the mid-1980s, involved a close exploration of the effects of the variously termed non-standard, precarious and atypical forms of paid work (Rodgers and Rodgers 1989; Cordova 1986; Cousins 1992; Anderson et al 1993; Whatman 1994). The discussion is usually concerned with the growth in part-time, casual, temporary, fixed-term, home-based or informal economy work, and the comparative lack of protection people engaged in these activities have in relation to those in permanent, full-time, standard jobs. The implication is that people in full-time jobs enjoy, by contrast, a high level of security.

The macro review of the wage earner regime (Chapter 2) noted the historical role of a statist regulatory framework in labour relations. The initial intention of that activity was to provide, through the system of arbitration and conciliation, labour market protection and income security for families. In the liberal regime, labour relations were conducted on more of an individualised basis with less statutory regulation. This chapter explores how the marketisation of the employment relationship has affected male breadwinners and, by association, their households.

A range of factors contributes to labour market security. Central amongst these is the level of shelter from adversity that workers have. Shelter can be afforded through statutorily defined minimum conditions and award wage rates and by the decommodifying activities of the welfare state (Esping-Andersen 1990). In this review of trends in the labour market security of the respondent households, three dimensions of security identified by Rodgers (1989:3) will be used - namely "continuity", "control" and "protection".

The first of these, security in the permanency or "continuity" of a job, is based on the simple observation that jobs with a high risk of loss are more insecure than permanent jobs. Temporary or limited term contracts, therefore, can also be indicative of employment insecurity. Non-permanency of employment signifies insecurity as it brings into question future certainty of income. "Control", the second dimension of 'security', refers to the ability to have input into employment terms and conditions. Input can occur either individually or be made by unions on behalf of workers. Workers with little control over the conditions or pace of their work face greater employment insecurity than those with a higher level of input. A trend towards decreasing input would suggest decreasing security. The third dimension of security, "protection", is central to questions of labour market security. Protection encompasses measures such as social security provisions after loss of a job and other areas of housing assistance, health care and accident compensation. It includes the opportunity and means for collective organisation as a guard against unreasonable employment practices. And it involves the customary practices and norms by which employers and employees interact. Deterioration in each of these would tend to indicate declining security.

Trends in labour market security are traced in this chapter by examining reported levels of job continuity, control and protection in the work histories of the regular male breadwinners. Much of the research on non-standard work has been concerned with secondary work undertaken by members of households where there is already a regular worker (Rodgers 1989:12). Often that secondary work is by added workers who supply their labour for reasons of income necessity (Rankin 1991). It is, therefore, already more likely to be insecure. The women in the households interviewed did have a propensity

to work on a part-time or casual basis, their employment status being determined by their position within the household and relationship with their breadwinning husbands (Chapter 6). Accordingly, this chapter focuses on trends in the level of labour market security of the primary breadwinners on the premise that deteriorations in the level of security for these workers would imply a more generalised adverse effect on the whole household.

The work history data lends itself to the analysis of changes in employment security over time from the perspective of the individual worker. Risk of job loss, potential for control over conditions, and the level of protection can each be traced through time in the work histories by their effects on the employment decisions of the respondents. One specific problem in comparing trends in labour market security over time, however, is that people change jobs and work in different sectors with different conditions, levels of protection and risk of job loss. It was therefore enlightening to note developments in the experience of those who have stayed in the same job over time, as in the cases of Jim Malone, Ken Fraser and Geoff Wood.

JOB CONTINUITY AND LABOUR MARKET SECURITY

As the discussion on unemployment (Chapter 8) has indicated, risk of job loss was limited during the high labour demand period prior to the late-1970s. The low level of risk was an outcome of the explicit policy goal of full (male) employment attained through the maintenance of effective market demand (Shirley et al 1990:73).

The work history data has provided an insight into what it was actually like to work in this period as a male breadwinner. With the maintenance of high levels of employment, unemployment was not a serious threat. Businesses did close down, as Alan Foster's history indicated, but the high labour demand context ensured that prompt re-employment was the norm. "It was just one of those things that happen", said Alan, "and it was just a matter of going off to the next job".

With a high level of labour demand there was mobility between jobs. The reasons given by the male respondents for job changes in the mid-century period indicate the positive effects of the high labour demand context and the certainty of being able to move into new jobs. Male breadwinners across both cohorts were able to change jobs for a variety of purposes. For example: for skill development, as Mike Cook reported; in order to leave unsatisfactory positions with low promotion prospects, with poor conditions and monotonous work, and jobs with high stress levels. Job changes were also made for personal and household reasons, including the pursuit of working hours more compatible with family life, the pursuit of a better job - a "self-promotion", or the pursuit of a more personally fulfilling job.

These reasons for changing jobs can be compared to the responses following the sharp increase in the threat of job loss from the mid-1980s. The same group of men became unwilling to risk leaving unsatisfactory jobs for the simple reason that there were no alternatives. Dan Young, for example, reported that if he had faced the same type of abuses in the 1960s as he had experienced in his job in 1991, he would have readily left. "Oh yeah, of course you would", he said. When asked why he had not done so in 1991, he replied, "But you have got to get another job, don't you". Unable to change jobs after 1990, Ken Fraser was forced to accept pay reductions, greater fluctuations in hours without recompense, and poorer call-out conditions. Geoff Wood's permanent full-time terms were changed to impermanent, part-time terms following his redundancy and re-employment in 1990. Len Bassett's and Richard Price's comments indicated a preparedness to accept a severe reduction in conditions to keep their jobs. In Richard Price's case, that preparedness extended to a willingness to carry extra workplace expenses himself. When asked if he would be prepared to leave the job he had at the time of the interview if his conditions of employment became unfair, Len Bassett stated, "No, I would put up with them, I think, having had my experience [of unemployment]".

In the younger cohort, Alan Foster reported that he was at a stage where he would like to move into another area of work, but given the level of unemployment, was unable to do so and would "just have to stick it out". Despite having survived several redundancy programmes in his workplace, he reported that he was continuing to face a high risk of

job loss. He reported that, as a consequence of this increased risk, he had increased his work intensity, was more disciplined in terms of arrival and departure times, and willing to comply with employer directives. He said he worked harder, increasing what he actually completed each day, and he avoided practices such as arriving at work tired. He was less willing to "hassle for more pay", and took fewer days off for sick leave. James Adams also reported that he had faced increased work intensity requirements and higher levels of stress in his job.

In the high unemployment conditions, the younger cohort males, as breadwinners with dependent children, were unwilling to risk jeopardising their source of household income by seeking better jobs. Alan Foster emphasised the issue of "risk" to the family income as the primary restraining factor in his reluctance to look for a new job. James Adams, too, who wished to leave his job because of problems he had with his employer, was also constrained by his role as breadwinner. His wife Sarah commented:

Pressure from me to stay there keeps him there, because he cannot just walk out of his job because he has a wife and two children and a house - so that puts a different light on it when he comes home and says 'I'm going to throw it in'.

The threat of unemployment affected the older cohort males in a way that reflected the specific issues at their life-cycle stage. Without alternative employment options, Jim Malone reported that it was "better to stay with the devil you know" and "stick it out". This was also the experience of Ken Fraser who had been forced to accept the reductions in conditions. Dan Young reported being under pressure to take whatever work was available to assist in saving for retirement. From the mid-1980s, then, these workers were unable to change their jobs for the same reasons as they had previously. Their responses revealed that they perceived themselves as being trapped in unsatisfactory positions and unable to move given the high risk of job loss. Collins (1994), in her study of redundancy amongst middle-management staff in Auckland, found that this type of response was typical of workers who had been kept on in firms following redundancy programmes where their colleagues had been laid-off. It indicated that in an environment with a high risk of job loss, workers became "'too scared' to voluntarily risk changing jobs" (Collins 1994:63).

The assurance of re-employment moderated the negative effects of unemployment in the 1960s and 1970s. In contrast, the direct experience of unemployment from the mid-1980s had severe negative personal consequences (cf Collins 1994; Gilling 1989). Strong emotions were expressed when describing the experience of unemployment and words such as "devastating" and "demoralising" were used to describe the effect. Richard Price could accurately recall his redundancy dates in 1986 and 1993, demonstrating the personal significance they had. Geoff Wood reported that he had "aged" through the experience: "It's put years on me, I know that". His wife (Denise) also stressed the negative personal impact of the experience:

There's one comment they make to you when they make you redundant. "You don't want to feel guilty", they said, "because it's not your fault that you have lost your job". That is one thing they say to you. But you can't help feeling useless, because you have lost your job, and you've got nothing. No matter what they say, ... you do [feel useless]! I feel that anyone that's made redundant will feel the same. You feel absolutely lost and useless, and it takes six months or more to get over that, if you can get over it.

The negative personal effects of unemployment did not occur in isolation but had an effect on the rest of the household. Shirley Bassett reported that, following Len Bassett's job loss: "It was the first time the children saw their father drunk". Stress and tension between spouses is an accepted outcome of unemployment (see Shirley et al 1990:142 for a discussion of the impact of unemployment on family relationships). It was apparent that stress was exacerbated by the higher incidence of unemployment and the type of unemployment experience from the mid-1980s. Chapter 8 also noted the stress caused by the challenge to male breadwinner norms following male unemployment in those households where female partners were employed.

The direct experience of unemployment from the mid-1980s was linked to a decline in labour market and social status. The decline in labour market status was noted in Chapter 8, with workers tending to re-enter paid work in lower-tier positions with poorer terms and conditions. A central theme of Collins' (1994:65,70) research was the propensity for "downward mobility" following redundancy and unemployment. Mike Cook's comments provide an example. He explained the consequences of redundancy in terms of its effect on his status in the labour market:

It was absolutely shattering, absolutely, because I had never been in a position of having to kowtow and ask for work. I mean years ago - I started in 1949 - the prospects of printing were - well, we were the king pins! In London it was *the* job. It's since gone downhill. It was a highly skilled job, but not so now. So being ... put out of work was just a shattering experience.

Mike Cook linked his declining status to the environment of high unemployment. He had little choice but to accept lower pay and conditions in the job he subsequently found.

Well, if you are unemployed with no money coming in, you're going to accept a job with a lesser rate, poorer conditions. You accept it! ... I had to do something. You take less or there's somebody [else] out there - there's 20 other people out there - that would take the job.

The decline in social status was evident in Denise Wood's comments. She said:

You lose your whole esteem, and your standing in the community in being made redundant. Geoff's work was his life, he was very dedicated to it, and all of a sudden it was just cut off.

The older cohort breadwinners, while not having the burden of a young family, were more vulnerable in an environment of high unemployment when it came to their chances of re-employment. Referring to her husband's redundancy in 1990 and 1994, Denise Wood commented, "It's stressful - it's stressful. ... Geoff's was stressful because of the fact that he was left without a job at an age where it is very hard to get a job". Their experience mirrored the reality that it was difficult for workers in their mid-fifties to find work. And, as reported in Chapter 8, Mike Cook at age 55 commented that when he approached the Employment Service following his redundancy in 1988 he was told, "'At your age there's not much chance of you getting another job'". With employers unwilling to take on and retrain older workers (OECD 1995), the older cohort group was further disadvantaged. In addition, there was a heightened sense of uncertainty in subsequent jobs. Mike Cook commented:

It's affected my outlook towards ... well I think we must all be nervous about our jobs, of the work. How secure is the job? ... When will I be made redundant again? Maybe next week.

The general increase in risk of job loss in the transition to the liberal welfare regime, then, had a profound effect on the labour market security of the primary earners in these households.

LABOUR MARKET SECURITY AND CONTROL

The dimension of control as an indicator of security in the labour market is based on the premise that "work is more insecure the less the worker (individually or collectively) controls working conditions, wages or the pace of work" (Rodgers 1989:3). Historically, following the developments in labour relations of the 1890s, worker control over job terms and conditions occurred through representation at a collective level (Deeks et al 1994:34). An institutionalised framework of industrial relations developed whereby unions, in the state-sponsored system of industrial conciliation and arbitration, acted on behalf of broad occupational groups to achieve blanket coverage of award conditions. Rights were "transmitted to workers through their union rather than conferred directly upon them" (Walsh 1992:64). And as Easton (1991) suggests, the high level of statutory protection and collectively bargained for award rates tended to be passed from upper to lower labour market tiers, and from unionised to non-unionised workers. Employers were compelled to use the incentive of good conditions as a lure for workers in the environment of high labour demand. The effect was the trend of improving wages and conditions, but there was also a low level of real individual involvement in the process.

The responses mirrored both the trend of improving conditions and the low level of individual involvement in that process. Respondents reported a general appreciation of the role of unions and the state pay-fixing structure, and a sense of detachment from that process in jobs prior to the mid-1980s. When asked if he had any input into or control over his terms and conditions of employment, Mike Cook, for example, reported: "I didn't have any control really. I think it has come about over the years ... through what the unions have fought for". Mike was a printer and had belonged to the union since arriving in New Zealand in 1965. He commented that it was the union acting on his behalf which "pre-set" the terms of his employment, resulting in an assurance of conditions:

...trades people knew that generally you worked for 40 hours a week and that the hours would be between a) and b), depending on the firm. The holidays were generally the same - and these were conditions preset. The only difference was the money. You knew when there was plenty of work around you could go down the road to ... whatever.

The recognition of union input was evident in the responses of both those who were supporters of the union movement and those who were not. Ken Fraser, who had worked as an electrician for a small business from 1956, had been a reluctant member of the union when it had been compulsory in the mid-1970s and in the early-1980s. Despite his reluctance, he acknowledged the historical role of unions in obtaining an improvement in his conditions: "Well they would have had input into it, there's no doubt about that ... if everybody else's went up, I guess yours had to". Describing the process of improving conditions in his job up until his redundancy in 1990, Geoff Wood commented:

We were getting a wage rise each year - you were getting up to 50 cents to over a dollar an hour rise each year ... you looked after them and they looked after you, and conditions just sort of improved from year to year - and were improving until things suddenly went wrong.

In the environment of high labour demand, workers could "shop around" forcing employers to raise their pay rates or modify their conditions. With a base level of minimum award conditions, workers could choose the better paying jobs as Mike Cook said. His opportunity to find higher paying jobs was the primary factor in his potential to have individual input into the terms of his jobs. A further example was in Ken Fraser's history. Prior to the late-1980s he had been prepared to approach his employer directly to complain about unreasonable working practices. He described one instance in the early-1970s where he believed he was required to do an unreasonable amount of overtime work - "night after night". Ken approached his employer and declared he was prepared to leave if the practice was not changed. He said, "I think I had had about 3 call-outs - 3 nights in a row, and I had enough of it. ... I had a bitch - I tell you. ... Quite a bit happened from that". His employer, facing the imminent loss of a valued staff member, reorganised the overtime rosters and procedures for working after-hours.

Nigel Wilson reported leaving one particular job when the work demands expanded to a point that he considered unreasonable. In 1965 he had taken a job as an armoured car driver. While in the job, his individual workload increased in accordance with the rapid increase in the business of armoured transport over the following six years. He reported that by 1971, he faced what had become unrealistic workload expectations and he chose

to leave for an alternative job with a less demanding pace of work. The potential to be able to do so provided him with control over the conditions he had to work under.

The potential to find another job, therefore, was an important means by which individuals could affect their conditions, wages or pace of work. Comments by female respondents also registered the same experience. Denise Wood reported that in the early-1960s:

You just took the job that came ... you just took it at what it was or you didn't take the job at all. ... We just felt - "if I don't like this I can go and get something else".

Shirley Bassett summed up the potential to leave jobs with unsatisfactory conditions when she said, "You liked it, you lumped it, or you moved on!"

There was no indication in the work history data that these practices continued into the 1980s. Respondents reported a declining willingness on the part of employers to modify worker conditions simply to keep staff. One instance was in Len Bassett's history. Prior to 1984, Len had worked as a secretary/manager and in that position had, in part, moulded his own conditions. Those conditions had self-enforced high demands, but he reported he had a satisfactory salary to compensate. "Well, really, the whole job had grown through mutual agreement. ... I really set my own conditions ... I did my job the way I wanted to do it". That mutual agreement changed in 1984 after he approached his employer with a request to modify the tasks he was required to do. He proposed certain changes but, in contrast to the earlier pattern of "mutual agreement", he was not supported and "forced to resign". Len was powerless and forced to accept an offer of a type of redundancy package, although his position was not made redundant, and an offer of references.

They eventually agreed to pay me six months salary, and they said that if I went quietly with my six months salary and what superannuation there was, and so on, then they would give me a good reference, which they did. ... If I fought them then I would have to take what I got, and I wouldn't get the same type of reference.

Evidence of either successful approaches to employers to improve conditions and aspects of jobs, or of workers leaving for alternative jobs was non-existent from the mid-to-late

1980s. The work history data therefore suggests a marked change in the potential to have input into conditions - both through the collective representation that had occurred with unions, and the ability to choose more satisfactory, alternative jobs. This was more so after the introduction of the Employment Contracts Act. Walsh (1992:74) reports that within six months of its introduction, there was a:

... substantial, perhaps irreversible fall in trade union membership and collective bargaining coverage, the continual erosion of employment conditions and employment security, a growing sense of employer strength and (in some quarters) militancy, and a more conflictual and antagonistic approach to industrial relations.

The work history data indicates the strong linkage between the curtailment of the potential to have control over conditions and the higher rate of unemployment.

Ken Fraser's case, after 1990, also indicated the inefficacy of representations to an employer. In contrast to the successful approaches Ken had described as occurring in the 1970s, his employer had become unsympathetic to submissions from staff. He reported that his conditions were significantly reduced after 1990, with overtime rates of pay cut back.¹ Minimum night call-out pay had also been reduced to 25 per cent of what it was previously. Ken Fraser was not involved in any preliminary discussions about these changes, but reported:

The boss simply said these are the new rules. It's what they decided to do. ... If you ask them for something ... well, they wouldn't agree and they would just walk away from it.

Ken had not approached his employer, or anyone else, over these reductions in conditions. With high unemployment, and his own job threatened, he was unwilling to risk complaining. He reported that he had no choice other than to accept the reductions given the fierce competition amongst workers for jobs:

It was ... a step backwards financially, but if you didn't do it, somebody else would come in and do it instead - you know, they are out there to cut one another's throats.

He found the union to be particularly ineffective in advancing his interests. He

¹ At the time of the interview he had to do 46 hours a week (instead of 40) before qualifying for these.

explained:

When it came down to a nitty gritty of electricians being laid off etc., etc., they couldn't do a thing. ... They couldn't do a thing. ... Different ones approached them - [but were met with the response], 'Sorry Charlie, that's it'.

The strong arguments for individual employment contracts from the late-1980s, made by employer lobby groups and Treasury (Kelsey 1995:177-8), contended that individual worker choice was maximised through individual negotiations with their employer. The idealised picture was of harmonious co-operation between parties (Walsh 1992:74). There were several examples in the work histories of apparent increases in the level of individual worker input into employment terms and conditions, but a close examination showed the input to be ineffectual in advancing the interests of the workers involved. Dan Young's case, two years before the introduction of the Employment Contracts Act 1991, provided a potent illustration. He returned to Palmerston North from Wellington in 1989 and found a job as a smallgoods production manager. He reported what he initially considered to be a good deal of input into the conditions and pay arrangements of the job. These were, however, never strictly adhered to. He explained as follows:

At [Smallgoods] I certainly had input into my conditions. They made me an offer which was basically a salary, plus a percentage of profit. I think it was a salary of about \$17,000 or \$18,000 a year, and finally we negotiated another salary and a lesser percentage of the profit - because I said to them, 'I'm a married man and I've got commitments. You are too, you've got commitments - could you live on that?', and they said, 'No, not really, but it was worth a try'. ... I didn't like that, but there you are, I wasn't in a position to say, 'Oh well, to hell with you!' But, however, what I negotiated was quite satisfactory in the end. I negotiated a higher salary with less percentage of profit. The only trouble was I never got a percentage of profit. It really was never in writing, which was a problem, and the first full financial year ... we made something like \$55,000. It was 10 per cent I was supposed to get - \$5,500 on top of my salary.

Dan Young was never paid the bonus, and when asked what he did about it he said, "Well, I couldn't do much about it - well, I didn't do much anyway ... Like I said, there was nothing in writing". He went to his boss who told him he had no intention of paying the extra, but instead intended to write the profit down by \$30,000 in a "fiddle of the books". Dan discussed his options with a friend in a similar line of work and concluded that court action was his only option. He reported that the cost of doing so was too great

and he did nothing further. He said, "Basically, as far as I was concerned, there was not much use in crying on anyone's shoulder".

Dan Young was isolated and ultimately had minimal effective input into the conditions of his job. Rather than a picture of harmonious negotiations, his work history indicated that he was subject to questionable employment practices where agreements were not observed. He reflected that, as a worker in the 1960s, he would have been quite prepared to leave a job if he had faced these circumstances. The impact of high unemployment was the overriding factor in his later vulnerability. Dan remained with that business for a further 12 months before being made redundant from the position in 1991.

Alan Foster's experience is indicative of the apparent increase in individual control after the passing of the Employment Contracts Act 1991. Alan reported being covered by unions acting on his behalf prior to 1991, and although he had little personal input, attributed improvements in his conditions to their actions. After 1991, Alan reported a deterioration in these conditions. His employer was attempting to prune the overtime and travelling allowance conditions, and to introduce a new requirement that carpenters supply all their own electrical tools (estimated to cost around \$1,000). The carpenters at his workplace had been included in discussions over the proposed new contracts which was a new experience, leaving Alan with a sense of increasing opportunity for input. He reported a genuine right to comment and, on these grounds, claimed he had some input in the process. He added though, that the input was into discussions about the *removal* of terms and conditions already in place.

His real level of input can be further assessed by considering his readiness to leave if the conditions continued to deteriorate. Despite being concerned by the loss of conditions, he remarked that they would have to get "really bad" before he would leave the job. This response can be compared to his comments about his earlier experiences when, in one instance, he changed a job which he simply found uninteresting. He stated that he could not afford to walk out of a job at his life-cycle stage, with "three kids", unless he had something to go to. So while the Employment Contracts Act was acclaimed as introducing a level playing-field between individual employers and

individual workers (Kelsey 1995:181), Alan Foster's experience indicates that he was not able to negotiate his terms as an equal participant. Rather, he was constrained by the threat of job loss and his role as a breadwinner with three dependent children.

LABOUR MARKET SECURITY AND PROTECTION

Protection of workers is central to their security in the labour market. Precarious work is an outcome of the extent to which workers are (Rodgers 1989:3):

... protected, either by law, or through collective organisation, or through customary practise - protected against, say, discrimination, unfair dismissal or unacceptable working practices, but also in the sense of social protection, notable across social security benefits.

The question of protection includes an examination of three key areas: protection through the level of social assistance provided in the traditional activities of the welfare state; protection through the potential that workers have for collective organisation; and protection through the customs and norms of interaction between employers and employees. In the review of the work history data, indicators of the level of protection afforded to workers in each area can be taken as suggestive of the institutionalised characteristics of each welfare regime.

General measures for the achievement of social protection in New Zealand have historically been closely tied to the labour market and the protection of workers. As noted, Castles' (1985) classification of New Zealand as a wage earner's welfare state emphasises this. Policy goals of full employment and minimum wage levels, where cost of living considerations outweighed profitability criteria, were supported by relatively generous income maintenance and pensions policies, health care, housing assistance and accident compensation (Boston and Dalziel 1992). The implementation of a new welfare regime and resulting cutbacks in each area represents a notable reduction in the level of assistance that workers and non-workers received from the welfare state (Chapter 3).

In conjunction with these developments there has been the imposition of a new industrial relations framework designed to individualise the employer/employee relationship (Walsh 1992:64). In so doing, the potential for workers to collectively organise as a means of achieving protection has diminished. Under the Employment Contracts Act, "no employment contract could require workers to join, or not to join, a union" (Kelsey 1995:181). Total union membership fell from 45 per cent of the total employed workforce in 1989 to 23.4 per cent in 1994 (Kelsey 1995:184).

The work history data from the late-1980s revealed that the male workers who were interviewed faced a higher level of isolation in their jobs with less potential for communication with other staff about conditions. The result was an increased degree of individual vulnerability. Ken Fraser, for example, who had been forced to accept significant reductions in his employment conditions after 1990, reported that he was not aware that any of the other 14 staff had been given the same arrangements. When describing his experience in the workplace after 1990, he commented: "I haven't really talked about this much, I'll tell you that!". This comment, which was made as an aside, intimated his isolation from both his workmates and his employer.

The case of Dan Young's bonus payments is another example. He could either accede to his employer's change of mind to not pay the bonus or, at his own expense, take a case against him in the Employment Court. The cost of doing so was prohibitive and, given the absence of alternative employment options, he was forced to accept the new arrangements. Dan's continuing isolation as a worker was also evident in his employment at the time of the interviews. He was made redundant from the job at Smallgoods in mid-1991 and from his subsequent job in January 1992. At the time of the interviews he was employed as a commission agent. When asked to describe his level of protection in that job he responded:

Oh, nil! It could fold up tomorrow and I wouldn't have a job. ... They could ring me up next week and say, "You're not doing your job properly", or "We don't think you are doing your job properly - you can finish in two weeks", and that's it.

Dan was resourceful and, as his earnings from the commission agent work had

deteriorated, he began to take on casual engineering work to compensate. He had approached potential employers in such a way as to make himself attractive by allowing them to avoid paying the extra costs usually accompanying the hire of a worker (Chapter 8). By offering his labour in such a way, his employers could avoid the levies and accounting costs associated with the hiring of temporary staff. He forsook his right to the statutory protections of accident compensation, holiday pay and sickness benefits in order to secure engineering work. In this instance, Dan Young's experience provides an example of the individualisation of labour supply (Offe 1985:30-31). In effect, it was a type of wage underbidding in order to maximise the difference between his offer of labour and that of other workers. The environment of high unemployment was reported as the important cause of Dan's behaviour. With increasing competition amongst workers for jobs, the veracity of which was alluded to by Ken Fraser in his comment that "they are out there to cut one another's throats", Dan was offering his labour at a cheaper price.

It was apparent from the work histories that a significant change in the customary norms and practices of employer and employee inter-relationships had occurred in the transition to the liberal regime. Prior to the mid-1980s, in an environment with a high level of employment and worker mobility, employers were forced to compete for workers. The effect was the development of a particular type of employer/employee relationship. With the issue of minimum award conditions negotiated outside of the actual enterprise, the responses suggested that the natural conflict between worker and employer was moderated. Jim Malone commented that he saw his workplace to be an extension of his family - with a "family atmosphere". His comments suggested he had a close attachment to the employing firm and a consequent commitment to its output: "I took a lot more pride in my work. The shop was like a family". He reported that the environment changed from the late-1980s as a consequence of new management procedures.

Other comments suggested a type of "benevolent-firm" relationship prior to the mid-1980s, reminiscent of the employer/employee attachments of conservative welfare regimes. Dimensions of that relationship included loyalty between employers and workers, the internal labour market progression of a job ladder, and a guarantee of work

up until retirement. An implicit assumption was that the firm would "look after" its loyal staff. Geoff Wood's history of employment with the farm animal advisory agency after his arrival from Scotland in 1965 was an example. Geoff reported that his work had been his "life". He described it in terms which implied that it was not simply a job but rather a relationship; "You were loyal to them and they were loyal to you". Obligations in the relationship were alluded to in his comment: "I had been there a long long time - you weren't going to let them down by not giving them the service they were wanting".

Following his earlier redundancy in 1990 he was "benevolently" re-employed on a part-time basis with a verbal promise from the manager that he would be given enough hours of work to ensure a livable income until he reached 60. His re-employment was described in a way which suggested that the employer was maintaining a relational obligation which included a concern for the circumstances and security of its workers. In his re-employment, however, his historical contribution to the company was not recognised. His wife commented: "That [previous] Geoff Wood no longer existed - this was a new employee ... as [if his] records were non-existent". During the process of restructuring there were managerial reforms within the agency and a high turnover of management staff. The effect was that the verbal promise of work was not adhered to by subsequent managers. In 1994 his hours of work were steadily reduced until he was left without a job. Geoff Wood described the erosion of his hours of work as representing a serious breach of trust: "You couldn't get the truth from them, ... you'd never get a straight answer. ... There was certainly no truth in the management in recent years". His unfulfilled expectations of appropriate treatment from his firm in his pre-retirement years suggest the passing of an era in employment relations:

I see a lot of people who have done a damn site less years in the association than I have, and they get their hand shook at the end, and presentations and thankyou's and big write-ups and everything else - I didn't even get a thankyou or a handshake or a damn thing on leaving - I've been very bitter about the way good service and loyalty has been treated - it's just non-existent. ... No-one said 'Thank-you Geoff - goodbye, and we'll keep in touch' - nothing was said. ... You were just thrown on the scrap heap.

Geoff Wood had expected to work for the agency until retirement at 60, but his redundancy in 1990 signalled the abrupt end to his relationship. He described the

redundancy as a breaking of "loyalty" and "trust". Collins (1994:59) reported similar views being expressed by her sample of Auckland middle-managers made redundant in the early-1990s. She explained the view that the redundancy indicated a "lack of trust" as a negative response to the "process" of the redundancy decision and announcement procedure. This may explain Geoff Wood's comments at the time of the interviews about his job loss, as he was still resolving his employment status with his employer following the erosion of his part-time hours.

The type of benevolent firm response that was promoted under the wage earner regime could not be maintained in the new liberal competitive environment. The change that occurred is also indicative of the shift towards a new type of managerialism and human resource management. The benevolent firm employer-employee relationship involved a particular type of worker affiliation with the employer. Belous' (1990:113-114) Employer-Employee Affiliation Spectrum captures the type of change that occurred in the shift towards more of a competitive firm employer-employee relationship.

The model of lifetime employment represents one end of the affiliation spectrum. This lifetime model has often been compared to a marriage in which both partners make a deep commitment to each other and have significant responsibilities in the course of the relationship. The other end of the affiliation spectrum is represented by the day-labourer model. In this system, neither the worker or the employer makes any enduring commitments. ... The lifetime model, of course, represents very strong affiliation, and the day-labourer model represents very weak affiliation.

What Belous (1990:113-114) refers to as the "lifetime model" tends to concur with the firm-as-family or benevolent firm employer-employee relationship that was evident in comments by older cohort workers. The protections afforded workers under the industrial arbitration and conciliation processes removed the rate of wages and the terms and conditions of employment as a source of conflict from the immediate workplace relationship. The provisions of the wage earner model of welfare, therefore, had an important impact on how workers experienced their employment relationship and sense of affiliation with their employer. By contrast, the "day-labourer" model tends to concur with the more competitive firm employer-employee relationship that was promoted in the liberal welfare regime with the withdrawal of the state from the employment relationship. There was a weaker commitment by employers to employees outside of the

core workforce, in an environment where redundancy has become an accepted tool of management practice. The competitive firm type of employer-employee relationships appeared to have a greater degree of coercion and suspicion.

Workers, in the new environment, developed a clear perception of themselves as replaceable commodities dependent on the goodwill of their employer for continued access to a job. Richard Price declared that his ongoing guarantee of a job was dependent on not challenging his employer. He did not have an employment contract and was unwilling to raise questions about his employer's failure to adhere to agreed conditions. Richard provided an example:

A lot of funny things occur, like, with other jobs you have expense accounts ... There are little charges that come up, like a book, every so often, and service fees and things like that, and you let them accumulate, and about every third month you send them in as a separate expense - it might be \$30 ... and they just send you a cheque for that amount - with [Strongs Water Products] I had collected about \$50, and I said, "What about this?", and [my employer] was really uptight ... they were 100 per cent [Strongs Water Products] work-related expenses - not personal expenses.

Richard had not been reimbursed for these and commented, "I didn't push it on him. I got the drift". He had assessed the threat of the situation and "lumped it". He reflected: "That's what it came to. ... It is part of the process of people finding out where they stand - people have got different levels of generosity". When asked, then, to rate the level of protection in the job, he said, "Thinner than ever". Barbara described it as, "non-existent". Richard expanded, "Actually, its totally dependent on the goodwill at the other end. Totally dependent".

When Richard Price was asked if he could put his finger on why he found himself in such a situation, he said:

Each year there has been increasing competition for X market - there is X market out there and the competition is growing for it all the time - there are more people going for the cake than ever - so they have got to run tighter ships ... who suffers? - the workers suffer. I'm not being socialistic by saying that at all.

He specifically linked the new competitive culture - promoted in the new welfare regime - as the source of declining protection for workers. Mike Cook's comments mirrored the

same perception. In discussing why he was under greater pressure in his job, Mike Cook commented:

I see more competition within management today - "We must get hold of that job" ... you know, "We just must not let the competitors, the opposition, get this job". And so, we've got to get this job. I suppose because there are fewer jobs - I don't know what it is. But there's a greater competitiveness. ... Its all go all the time. If there is nothing to do then the overseer is looking for [you to do something useful] - "What are you doing? Nothing to do? Well, perhaps ...", etc.

He compared this with his earlier jobs.

There was this intensity of work which you couldn't keep up for eight hours, so it was acceptable to, we'll use the word "play", at some of the other time when you weren't quite so pushed. And I think that was acceptable. ... People did really rush around when it was necessary. All stops were pulled out. But, ah, and then you could play [Mike Cook said this smiling].

His comments imply, then, the demise of the benevolent firm and the imposition of a new set of norms defining the relationship between workers and employers. The wage earner cum social expenditure welfare regime, which tended to promote employer benevolence, was transformed from the mid-1980s. The new employment relationship was characterised by competitive practices between workers as well as between firms.

SUMMARY

The objective of this chapter has been to examine trends in labour market security for male breadwinners in the transition to a liberal welfare regime. While the study of labour market insecurity usually focuses on part-time, casual and other forms of non-standard work, this study was concerned to observe trends in the labour market security of full-time workers. A declining level of security for full-time workers would suggest a more generalised adverse effect on the whole household.

The employment of male breadwinners prior to the mid-1980s was characterised by a confidence and certainty of being able to move to new jobs and they reported readily

changing jobs for a range of personal, family and work-related reasons. These workers would readily leave jobs where conditions were unsatisfactory. As the risk of job loss rose with increasing levels of unemployment through the 1980s, their responses indicated that they were less willing to voluntarily risk changing jobs for such reasons. Rather, they were forced to "stick it out" and became trapped in jobs, often with deteriorating conditions. The immobility of male breadwinners was accentuated by their provider role and the risk to household income that changing jobs represented. The family's life-cycle stage was important in determining the impact of the experience of unemployment. In the younger cohort, breadwinners with dependent children were reluctant to risk their primary source of household income. In the older cohort, there was a sense of resignation to the inevitability of declining conditions in a high unemployment context. The negative personal effects of unemployment were exacerbated in the high unemployment environment from the mid-1980s, influencing both individuals and their families.

Prior to the mid-1980s, these male breadwinners achieved control in their jobs through their union and the setting of minimum awards conditions. These tended to be passed to lower-tiered non-unionised workers. The main form of individual control was the ability to shop around and move out of unsatisfactory jobs, although the threat of doing so was also potent in achieving improvements in conditions. The opportunity to shop around for jobs was lost as unemployment rose and the chances to move on were reduced. There was evidence of less sympathetic employers and unions were perceived to be ineffective in halting the loss of jobs. Despite apparent increases in individual participation in negotiations, the work history data indicated little or no effective input into improvements in conditions.

From the mid-1980s there was a declining general level of social protection with the trend towards closer targeting of social assistance and with modifications in the industrial relations system. There was evidence of workers becoming increasingly isolated. With individualisation of labour supply and worker competition there were fewer opportunities for collective organisation. Rather, there were examples of wage underbidding in the environment of high worker competition. Previously benevolent firm employer-employee

relationships were replaced by a new austerity in the modern competitive firm environment.

The examination of trends in each of the dimensions of labour market security indicated a marked deterioration as occurring in the transition to a liberal welfare regime. The rise in the threat of job loss and the restrictions that were subsequently placed on mobility out of unfavourable jobs were crucial in that deterioration of security. It subverted the potential to find another job as employment terms and conditions were undermined. In conjunction with the demise of a broadly-based union coverage, the high risk of job loss tended to reinforce the individualisation of the employment relationship and the increasing isolation of workers in their jobs. It can therefore be considered as a defining feature of the liberal welfare regime.

10

HOUSING, HEALTH AND PENSIONS AND HOUSEHOLD LABOUR SUPPLY

The trend towards closer targeting and higher user-pays charges in the liberal regime mirrors historical variation in accepted notions of entitlement and eligibility. While other studies have measured the direct cost-effects of these changes on households (Waldegrave and Frater 1991; St John and Heynes 1993), the concern of this chapter is with the effect of the trend towards increasing welfare selectivism on patterns of household labour market participation. That is, changes in the nexus between households and work across regimes are considered in terms of variable levels of welfare selectivism in housing, health and pensions.

The labour demand effects of health and housing policies and their function as an important labour market have been emphasised by comparative policy studies (Esping-Andersen 1990; Schmidt 1993:186). In Chapter 2 the demand stimulation effects of state housing initiatives after 1935 in New Zealand, particularly in the male dominated industries of forestry and building, were noted. In the mid-century period much of the employment was in state trading activities and in a highly protected manufacturing sector (Deeks et al 1994:396). Similarly, the growth in health care services through the 1950s to the 1970s provided an increasing labour market for women (Oliver 1977:11). However, as has been noted, the work history data favours answering questions of labour

supply rather than labour demand. This chapter, therefore, is concerned to explore how changes in housing, health and pensions policies are linked to changes in labour supply activity at the micro-level.

The relationship between housing and health care and labour supply can be considered in terms of the role they play in ensuring a housed and healthy workforce. Bismark, for example, provided health insurance for industrial workers in 1883, to help them resume their working lives after injury or illness, for the economic benefit of the broader society (Heidenheimer et al 1990:58). Housing is a vital human need and represents for many families the largest single investment they will ever make. Welfare state housing assistance, therefore, has a profound affect on the financial security of individual families and their related supply of labour (Heidenheimer et al 1990:97). Pensions influence the labour market in a different way. They provide an alternative income for older workers and act as an important factor in regulating labour supply rates of older men and, to a lesser extent, older women (Schmidt 1993).

HOUSING ASSISTANCE AND HOUSEHOLD LABOUR SUPPLY

Housing assistance for the poorest New Zealanders underwent a profound change in the transition to a liberal welfare regime. By the late-1980s, housing assistance had become targeted solely at those who could not afford a private family home. Following the 1991 Budget, the responsibility for the provision of all housing, including for those most in need, was transferred to the private market. State house rentals which had historically been pegged at 25 per cent of the tenant's income, were raised to their "market" value in three annual increments following the 1991 Budget (Kelsey 1995:225). The increases were partially met by an accommodation supplement to be used in either the public or private sector on either rents or mortgages. The supplement replaced all other forms of government housing assistance.

None of the households interviewed was in receipt of government housing assistance

during the late-1980s and early-1990s. The work histories, therefore, do not provide any direct record of the experience of the marketisation of state rental accommodation. This may well be a consequence of the fact that male breadwinner, nuclear family households with at least one person in full-time employment were less likely to be found in state rental accommodation in the late-1980s and early-1990s. Those in state rental housing were most likely to be 'single' mothers and other beneficiaries (Ferguson 1994). As it was, most of the households interviewed were among the 73 per cent of all dwellings privately owned by 1986 (McLeay 1992:171). Nevertheless, an analysis of their housing histories reveals the effects of the changing nature of government assistance in housing policy over time.

From the mid-1930s there was an acceptance that the welfare state had a central role to play in ensuring an adequate level of housing. Between 1935-1949 considerable resources were diverted into state rental housing, but the main thrust of housing policy after 1950 was the provision of affordable mortgage finance to first-home buyers (Roberts 1988:173) to facilitate private home ownership (Thorns 1984:220). Home ownership began to be treated as a core welfare good and a form of saving for later in life (Castles 1994a:17; Department of Statistics 1993b:122). The provision of family benefit capitalisation in 1958 further encouraged owner-occupation. With the ongoing provision of long-term, low interest rates to families of no more than moderate means, the redirection of support from state rental provision to support for house purchase was established (Thorns 1984:220). Private home ownership emerged as "the most important component of the New Zealand dream" (Ferguson 1994:187). One respondent's comments (with the masculinisation of "all New Zealanders" aside) supported this: "Well, I think it's every New Zealander's dream - to have his own house, his own car and his own business" (Dan Young). The subsequent entrenchment of the preference for owner-occupation was illustrated when state rental properties themselves were put on the market in 1961 (Ferguson 1994:181). A stock of state rental houses was retained, but owner-occupation increased rapidly from 52 per cent in 1947 to 69 per cent in 1968 (Roberts 1988:173).

Housing Assistance and Male Breadwinner Labour Supply

A defining feature in both state rental assistance and the promotion of owner-occupation during the wage earner regime was the preference given to the needs of the male breadwinner family. Housing support was aimed at the two-parent family and households with men in permanent employment were favoured as tenants. Single-parent families tended to be excluded, particularly those headed by women (Ferguson 1994:170-171).

The vision of the family was a very specific one. ... [State Advances] Corporation branches [insisted] that allocation committees give state houses only to families with children. ... Women with children applying for help had to have a husband on hand to have any hope of success.

There was an underlying premise that the male's income alone was adequate to meet the household's needs (cf Thorns 1984:223).

The two households in this study which used state rentals illustrate the way the male breadwinner pattern of labour supply was assumed and reinforced through housing assistance. Ken and Noeleen Fraser moved into a state rental house following the birth of their first child in 1961. Their type of household, with the husband in permanent work and the wife at home with young children, was favoured by the points system for grading applicants.

We applied for a state house when the second baby was coming ... we got in very quickly - three months. [The] normal waiting time was nine [months], ... we were very lucky, and the rent, you see, was very reasonable.

Ken and Noeleen adopted rigid male breadwinner roles (see Chapter 6), Ken being the sole earner for 14 years following their marriage in 1960. The cheaper rental housing facilitated the adequacy of his sole income to meet the household's needs over this period. They nevertheless described their early years together as the most difficult to make ends meet. Noeleen Fraser recalled that:

They were not easy years - trying to pay off a fridge and all those little things- when you are buying nappies and prams and pushchairs and children's clothes and doctor's bills and those things that happen.

Noeleen and Ken Fraser bought their state house in 1964 in the wake of the new opportunity presented in 1961 when state rental properties were placed on the market.

They were assisted into ownership by affordable mortgage rates, further facilitating the male breadwinner pattern of household labour supply. Noeleen Fraser explained:

The government bought it in that you could buy your house ... which we did in 1964. ... We were fortunate, too, because we were able to buy this house quite cheaply, it being an ex-state house. We scrimped and saved and got 600 pounds together to put the maximum deposit on it, and we took [the mortgage] out over 35 years.

The "scrimping and saving" did involve extra household labour being supplied, but that was done with Ken working overtime - a way consistent with the male breadwinner pattern. According to Noeleen:

He did a lot of overtime. ... Often times the children would not see their Daddy for about three days - he'd be gone before they got up, and come home after they had gone to bed.

Ken also "did the odd perk job" or "moonlighting", where he earned extra undeclared income "on the side". Male breadwinner patterns of household labour supply were therefore reinforced through the provision of housing assistance by cheaper rents and cheaper mortgage finance rates.

Another example of the function of housing policy in reinforcing these roles was evident in Richard and Barbara Price's history. They purchased their first house privately after shifting to Hamilton in 1966. The second mortgage they were required to take imposed a repayment regime they found too difficult to sustain on one income. They reported persevering with the costs for two years, with the expectation that Richard would receive a promotion and pay increase. The promotion did not eventuate within that time (the reason was not given) and finding themselves unable to sustain the house payments, they "sold up" and shifted to Palmerston North. Barbara Price explained:

I didn't work at all [and] ... we just decided we had come to the end of our tether, ... we just wouldn't have been able to find the next dollar - well we would have found it I suppose, but it was very difficult to find the next payment.

Barbara had a young child and was pregnant with their second. The sole male income was insufficient, despite receiving cheaper first mortgage assistance from State Advances. While this is inconsistent with the assertion above that state housing policy reinforced male breadwinner roles, their subsequent use of state support did do so. After renting privately for several months in Palmerston North, they were approved to move

into a state rental which in 1970 they had the opportunity to buy. The more affordable rent and, later, interest rate allowed Barbara Price to remain outside of paid employment. State housing assistance allowed them to maintain the male breadwinner pattern and facilitated their home ownership where the private sector had failed.

Childbirth, House Purchase and Labour Supply

Table 10.1 records the range of strategies and forms of state support used for first home purchase in the households interviewed. The third column of this table lists the measures by which households increased their total supply of labour to meet the extra income needs arising from house purchase.

Under the male breadwinner regime, women, through their child-bearing and rearing years, historically spent lengthy periods out of paid work. With house purchase an important step in the rite of passage to familyhood and linked to the arrival of children (Ferguson 1994:234), there was a close relationship between these key life-stage events. The extent to which child carers were released from the need to have a paid job through this period, then, can be taken to be an aspect of social life indicative of the decommodification effects of the welfare state. Historical developments in the decommodifying effects of housing assistance can therefore be observed by noting historical changes in the extent to which women (or child carers) were forced to return to paid work to assist with the specific costs of house purchase. In the already mentioned cases of Ken and Noeleen Fraser and Richard and Barbara Price, the birth of the first child occurred soon after marriage and prior to house purchase. Although housing costs were reported as the cause of financial difficulty, the state housing assistance they received bolstered the primary income and sustained the sole (male) breadwinner pattern of labour supply.

TABLE 10.1
REPORTED STRATEGIES USED BY HOUSEHOLDS
INTERVIEWED AT PURCHASE OF FIRST HOME

Household Surname	Year House Bought	House Purchase Pre- or Post-childbirth	Labour Supply to Meet House Purchase Costs*	Housing Support that was Utilised
<u>OLDER COHORT</u>				
Malone	1965	pre-	X	X
Cook	1974	post	Female takes on part-time work.	Family benefit capitalization and State Advances first home loan rate.
Fraser	1964	post	Male - overtime, undeclared work.	State rental then low State Advances mortgage rates.
Wood	1972	post	Female - domestic work, part-time and later full-time work.	State Advances first home mortgage rates.
Wilson	1961	pre	X	State Advances first home mortgage rates.
Bassett	1969	pre	X	State Advances first home mortgage rates.
Young	1963	pre	X	State Advances first home mortgage rates.
Price	1966	pre	X	State Advances first home mortgage rates.
<u>YOUNGER COHORT</u>				
Foster	1983	pre	Female - promptly begins part-time work after childbirth.	Housing Corp first home mortgage rates.
Parker	1981	pre	X	Housing Corp first home mortgage rates.
Sykes	1986	pre	Female delays childbirth and remains in full-time work.	X
Mills	1983	pre	X	Parental financial support.
Adams	1984	pre	X	Parental financial support.

* When stated by respondents as linked to housing costs.

The older cohort respondents who bought their homes prior to the birth of their first child did not report the same level of financial difficulty. They used available State Advances finance assistance, but once the child was born did not report the need for additional labour to be supplied to meet house purchase related costs. In three cases, the women did return to paid employment within the first two years after the birth of the first child, but the reasons for doing so were not reported as being associated with housing. Sue Wilson and Shirley Bassett reported returning to paid work for reasons of personal independence and identity, and to bolster the weekly grocery allowance. Margaret Young was living on the site of their own business and worked part-time.

The state's role in the provision of housing assistance began to contract from the late-1960s, and more rapidly from the mid-1970s, in both the provision of rentals and in financing house purchases. The Housing Corporation had its upper lending rates increased from 5.5 per cent in 1975 to 9 per cent in 1979 (Thorns 1984:222). Its role as a lender began to decline and private institutions began to increase their role in housing finance. Indeed, as Roberts (1988:173-174) notes, the "Housing Corporation confined its involvement to people whose income level or lack of resources excluded them from obtaining private financial assistance". There was a shift away from widespread state subsidised support for owner-occupier dwellings in favour of private sector financial institutions.¹

The two other households in the older cohort who had their first child prior to buying their homes, bought their homes after 1972. In both cases the female partner subsequently took on part-time work for the specific purpose of assisting with the cost of house purchase. In Joy and Mike Cook's case, Joy took on a part-time job cleaning the local kindergarten. They had capitalised the family benefit, which had assisted in making the initial deposit, but after house purchase they found it difficult to make ends meet.

I used to get \$50 a month for the cleaning ... and with that money we struggled through. ... We had the children, and I wasn't working, and we had a mortgage. So things were pretty tight then. ... we

¹ Taxation relief on mortgage interest payments for first home buyers was, however, retained up until 1985 (McLeay 1992:171).

had weekly payments and we came out with very little money left from that.

As the government began to reduce the amount it would lend on each house from the late-1960s (Ferguson 1994:232), home buyers were forced to obtain funding from the private sector. In Geoff and Denise Wood's case, the more expensive private sector interest rates were given as the cause of financial difficulties they faced soon after their house purchase. They had been required to take a second mortgage and, Geoff reported, "that was really the cause of the problems". Denise reported initially endeavouring to "spin out" the housekeeping income by careful domestic management, reminiscent of the ideal housewife of the 1930s and 1940s (see Phillips 1987). She made all of their clothes, knitted, darned, and kept a productive vegetable garden to avoid spending money on expensive manufactured goods. Her contribution increased when part-time work with hours compatible with her role as child carer was offered. As Denise explained:

Geoff's wages weren't high at the time, ... [and] we needed two wages. ... I hadn't planned to go back to work - and then I was asked to go back ... and we hummed and haaed and we decided, 'Yes', I would go part-time just to give us that extra bit of money. At that time we were just ... existing - by the time a month's wages went through and you paid your house and everything, you had nothing left - you couldn't go on holiday or anything - I think we used to end up with about \$3 at the end of the month - that's all we had left out of Geoff's wages - and we really were struggling - so we decided that the few extra dollars would help, so I went back part-time.

The cost of housing was therefore prominent in her decision to return to paid work. So as state housing assistance began to decline, added female labour became increasingly necessary to meet the costs associated with house purchase.

The Cook and Wood households both reported that their steadily rising incomes through the late-1960s and 1970s moderated the financial difficulties faced in the immediate period after house purchase. Meeting the costs associated with house purchase, therefore, was not reported as being a long term problem. Mike Cook commented, "Well, the first year or two were tight, but then the wages went up and the payments stayed the same". Geoff Wood also reported that following the financial difficulties in the immediate period after house purchase, "things improved all the time" as his wages steadily increased.

A related issue from Denise Wood's history was the way her additional labour for the specific purpose of meeting immediate housing costs, resulted in her long-term return to full-time, permanent paid employment. She subsequently remained in full-time employment until her redundancy in 1991. Her history in this instance exemplifies an inertial effect, "based on the principle that people tend to continue their current activity unless there is a clear advantage in favour of change" (Rankin 1991:525). She returned to paid work, initially on a temporary basis, because of the immediate financial difficulties associated with housing costs, and extended her hours to full-time in 1977. Commenting on why she held her job after the initial reason for seeking it no longer existed, she said, "Really there were no plans with it - we never knew how long I would stay there - and I was back 17 years". In Denise Wood's case, then, there was a clear link between her return to full-time paid work and the initial need to meet housing costs. Other factors did facilitate her remaining in full-time work such as the initial availability of work hours which fitted with her domestic work role (Chapter 6). The observation here, though, is that her initial entry into part-time and later full-time employment was a consequence of their household strategy to meet house purchase costs.

Housing Assistance from the 1970s

The decline in state assistance for housing from the late-1960s resulted in the closer targeting of state rentals to those who could not afford a private family home or were excluded from mainstream forms of support. Accompanying the closer targeting of state rental accommodation were dramatic increases in the cost of home ownership through the 1970s. Thorns (1984:223) asserts that by the late-1970s and early-1980s, the purchasing of a house consumed:

... for first home buyers a much higher proportion of their income, a larger initial deposit and almost certainly [required] a period of dual earning to accumulate the necessary deposit. Such conditions clearly [placed] the single-income family at a disadvantage.

It cost 43 per cent of the average gross weekly earnings to service the average house mortgage price in 1975, and this figure increased to 59 per cent in 1986 (Roberts 1988:158-159). With increasing costs, home ownership moved out of reach for low to

moderate single-income working families. As Ferguson (1994:246) notes:

Housing costs in the 1970s and 1980s were even greater than shown by the official figures when factors such as legal fees, taxation rates and the capitalization of the family benefit were taken into account.

House purchase under such market conditions was increasingly determined by access to finance and accumulated wealth, for instance, through current household income, inheritance or extended family support (Thorns 1984:223). Families responded by taking longer to save for a deposit and tended to delay childbirth (Ferguson 1994:246).

These types of household labour supply responses to house purchase in the 1980s were evident in the histories of the younger cohort. As noted in Chapter 6, partners in the younger cohort remained in full-time work for a longer period after marriage and all purchased their houses prior to the birth of their first child. The explanations of the younger cohort emphasised that they saw house purchase as necessary prior to the birth of the first child and more difficult to achieve afterwards. Childbirth, therefore, tended to be deferred, as occurred in the Foster and Sykes households, as house deposits were more easily saved while both partners were in full-time employment. House purchase became a significant life-stage event to be achieved prior to the arrival of children. Furthermore, Dianne Sykes delayed the birth of her first child for four years after the purchase of their home, until her husband was in an employment position able to sustain the house mortgage repayments and meet other basic income needs. They bought their house in 1986 and had their first child in 1990.

Costs associated with house purchase in the 1980s were also linked to a swift return to paid work after the arrival of children. When Janice Foster left her full-time job to have her first child in 1983, the household income was halved. With mortgage payments and new and unexpected financial pressures from rates and extra insurances, she reported that they immediately found it difficult to make ends meet. This period was reported as their financially "toughest time" and Janice began to take on part-time work. Despite both having worked full-time to save a deposit, the cost of maintaining mortgage payments and running the household continued to require two incomes. In 1992 she increased her

work from 15 hours per week to 30 hours per week by taking on extra part-time jobs.

The Mills and Adams households provide an example of the experience of house purchase being moderated by access to wealth through parental assistance. The Adams household borrowed the total amount required to purchase their house from James' parents. They paid minimal interest rates and they expected the mortgage to be covered by the inheritance he would be left following his parents' deaths. The Mills household had parental financial assistance with their deposit payments and borrowed the rest from the private sector. Neither household, therefore, reported any additional labour supply activity undertaken specifically to meet house purchase costs. Both households purchased their homes the same year the couples married (although James and Sarah Adams had been living together for five years prior to marrying) and childbirth was not delayed.

All of the younger cohort owned their own homes by 1986. While the experiences of the younger cohort do not illuminate the effects of housing policy developments after 1991, they have provided a view of the impact of the steady withdrawal of the state in the provision of housing assistance from the 1970s. To that extent they have allowed for an analysis of the effects of historical variation in the level of state housing assistance.

HEALTH CARE AND HOUSEHOLD LABOUR SUPPLY

The provision for health care in the household histories was also considered in relation to patterns of labour supply. The linkage between household labour supply and health care was observed to revolve closely around the historically shifting perception of the adequacy of the public health system. As the adequacy of the public system has come into question, households have opted to use private health insurance. With health care increasingly perceived as a private consumption good, the status of occupational health care schemes has been raised. The initial form of variation observed in the households, then, was between the use of public and private services. Household labour supply was found to be affected by this variation.

New Zealand's public health system has its roots in the 1938 Social Security Act and its provision of free in-patient hospital treatment for all (Ashton 1992:148). The General Medical Services benefit left but a token fee to be paid by patients for general practitioner services. Until the mid-1980s, public funds had comprised a constant 80 per cent or thereabouts of total health expenditure, with most of that deployed towards personal medical services in hospitals (Davis 1984:105-6). It ensured a high level of accessibility to publicly funded hospital services throughout the period. The private system, on the other hand, has played a persistent yet residual role in the provision of insurance-based health care from the 1930s (Shannon 1991:14). It operated at the margin, being funded by occupational and private health insurance and state accident compensation. Its primary role had become the performance of non-urgent surgery, the means by which patients could sidestep the waiting lists of the public system (Fougere 1984:81).

While the approach to the delivery of health services has been in contention from the early-1970s, changes in the provision of health care have been most dramatic after 1991. At that time, the public hospital system was restructured in an attempt to introduce market-led competition as a means of enhancing efficiency. "Purchasers" were established to procure health services from "providers" in both the commercialised public hospitals and private hospitals. Structural changes were complemented by the greater targeting of assistance and the introduction of charges for hospital services. Eligibility for public assistance with prescriptions, doctor's visits and hospital services were defined within initially three, but later two categories of income.

The institutional upheaval and subsequent process of seemingly continuous restructuring has significantly undermined the perceived effectiveness of the public system. "Local hospitals were closed, ... services centralised, [and] the number of hospital beds declined" (Kelsey 1995:217). Reliance on private provision has grown substantially in this environment. As Kelsey (1995:216) recites, the Consumers' Institute survey which reported an increase in private health insurance coverage from 40 per cent in 1991 to 55 per cent in 1995, "confirmed a deepening lack of confidence in the public health services".

In a health system that has been dominated by the public sector, New Zealand citizens were accustomed to having their hospital treatment provided free of charge. With declining confidence in the public system, households were faced with a common perception that private health services were better. The review of the work history data is concerned with tracing these developments through the life and work histories. This section therefore focuses on variation over time in the use of private or occupational health insurance as an indicator of alternative strategies likely to have an effect on household labour supply.

Labour Supply Strategies and the Provision of Health Care

Table 10.2 reports the use of private health insurance by households. Use of health insurance is divided between that which was provided from work-based or occupational schemes, and that which was provided individually or privately. For the purposes of comparison the use of health insurance is separated into the pre-1984 and post-1984 periods. The major reforms in health care did occur after 1990, although Shannon (1991:14) notes the trend of increasing private insurance as commencing prior to 1984.

Private Health Cover Pre-1984

Private health insurance cover was not perceived as being necessary to obtain access to medical services prior to the mid-to-late 1980s. The low general usage is mirrored in only two households having individual private cover during that period (see Table 10.2). The other households reported not requiring it. In the two households where it was used, it was taken up for the perceived superiority of service offered, and the guarantee of quick access to services for children if required.

In the Wilson household, Sue Wilson had a history of working as a nurse in private hospitals and therefore had a certain allegiance to the private system. Her preference for private as opposed to public services was also evident in their use of private schools in the early-1970s for their children, while they could afford it. Sue referred to the better quality of service from the private sector and spoke disparagingly of the public system.

The tone of her comments also suggested that the preference for private health care mirrored the pursuit of a "positional good" (see Rankin 1991:528), that is, a status enhancing good promoting the holder's relative social position. However, the household's allegiance shifted to the public system when Nigel Wilson began working as an administrator for the health service in 1973, at which time they cancelled their private insurance.

The second case was that of Dan and Margaret Young. They were self-employed in their own business when they first acquired private cover. The tone of their comments also suggested that at that time it represented a positional good, a sign of their relative affluence. In addition to this, they reported taking out private health insurance for the perceived improved service they would receive. Margaret said, "Well, we had it since the children were young, because we felt that if we ever needed an operation we would have to get it done quickly". Private health insurance was therefore a means by which they could sidestep the waiting lists in the public system and receive prompt service. Her comment also indicates that family life-cycle stage was a factor - an influence which is further emphasised by the fact that they cancelled their insurance when the children began to leave home in 1980.

The Changing Status of Private Health Cover Post-1984

The perception that private health cover was desirable at key family life-cycle stages endured across time in some households. The perceived necessity for private cover was also linked to the views on the effectiveness of the public system. Comments indicated that private cover was seen as advantageous when children were young and when parents reached their pre-retirement and retirement years. Dan and Margaret Young, for example, after having cancelled it in 1980, took private health insurance out again in 1989. They did so, they explained, to accommodate the health problems of their pre-retirement life-cycle stage and as a consequence of their lack of confidence in the public system. Margaret commented, "We picked it up again about five years ago - because, we thought, well we are getting to that age now where we may need an operation". Dan added:

What actually happened was that Margaret had a small heart attack some years ago, and about that time this particular health outfit, Aetna, they put out this scheme where they would accept you regardless of what your previous illness history was - so we thought it would be a good time to get onto it. Plus, the way the health system was going!

The last point was made disparagingly and the perception that the public system would be unable to meet their particular health needs at their life-cycle stage contributed to their choice of private cover. The effect was that a higher portion of their disposable income went towards health insurance in their pre-retirement years.

An example from the younger cohort was that of the Foster household. Alan and Janice Foster took out private cover in 1984 when their children were young for the "extra security" it offered. Having bought their house the previous year, their attempt to provide the "extra security" through health insurance coincided with the other main life-cycle stage cost - house purchase. They found after several years that they could not afford the health premiums and cancelled the insurance in 1987. Janice Foster explained that, "The premiums seemed to be going up each time. ... It got too expensive in the end - and we were quite poor there for a while". The life-cycle stage where they were most likely to want cover had other pressing costs. Their case also exemplifies a certain experimentation with private cover and mirrors the growth of the private health sector from the early-1980s (see Shannon 1991:14). However, the perception that private cover provided an added level of security to the family persisted. Changes in the public sector from 1990/1991, with a perception of the public system being in chaos, have only accentuated the trend. At the time of the interviews, Janice commented that they would like to have the "extra security" of private health insurance, but could not afford the premiums given other costs at their family stage.

TABLE 10.2
HISTORICAL USE BY HOUSEHOLDS
INTERVIEWED OF PRIVATE HEALTH INSURANCE

Household Name	Private Health Care Pre-1984	Private Health Care Post-1984	Occupational Health Care Pre- 1984	Occupational Health Care Post-1984
<u>OLDER COHORT</u>				
Malone	X	X	X	X
Cook	X	X	X	1988+
Fraser	X	X	X	X
Wood	X	1991+	1973+	prior to 1990
Wilson	1961-1973	X	X	X
Bassett	X	X	X	1985+
Young	1968-1980	1989+	X	X
Price	X	X	1983+	prior to 1993
<u>YOUNGER COHORT</u>				
Foster	X	1984-1987	X	X
Parker	X	X	X	X
Sykes	X	X	X	X
Mills	X	X	X	1985-1990
Adams	X	1985+	1979+	prior to 1985

Occupational Health Cover Pre-1984: an Attractive but Non-essential Perk

Occupational health cover was appreciated as a attractive but somewhat non-essential perk in the pre-1984 period. Three of the households interviewed received occupational health insurance. Geoff Wood, for example, reported, "We got the free medical benefit -

that was a perk that went with the job - free health insurance with Southern Cross - they paid that". They described the occupational health cover in terms which suggested it was an added bonus and not a feature of the job that, on its own, influenced household labour supply decisions. However, despite this perception, none of the respondents who had occupational health cover left those jobs which entitled them to it on their own volition. It appeared that the provision of health cover enhanced their perception of the job or was indicative of generally good working conditions. The provision of favourable conditions such as private health insurance was, as Easton (1991) suggests, a part of employers' strategies to hold on to hard to obtain staff, especially when there was a highly accessible public system.

The Changing Status of Occupational Health Cover Post-1984

There was a change in the way occupational health cover was perceived from the mid-1980s. The changing perception is to be expected given the declining confidence in the public system and falling real incomes (see Chapter 3). Richard Price's health cover after 1987² was referred to in such a way as to suggest that it was seen as equivalent to actual income. Barbara Price, for example, when discussing Richard's income, commented that as it was not "a high salary, [the health cover] put an extra \$1500 to \$1600 on top". A related observation was the perception that occupational welfare had been provided in exchange for income to achieve reductions in real wages. Ken Fraser described how electricians had received occupational health cover as a substitute for wages: "A lot of the firms definitely are providing that sort of thing. They might say, you go without a pay rise this six months and we will take out a health scheme for you". Work-based health cover, therefore, began to be seen as a proxy for income as opposed to an attractive, but non-essential perk.

Not all occupational health cover was fully subsidised as it was in Richard Price's case,

² He had been provided with occupational health cover from 1983. This was stopped when he was made redundant in 1986 and they were not covered for the eight months he was out of work. When re-employed by the same firm in 1987 the occupational health cover was re-instituted.

but when partial subsidisation was offered from the mid-1980s, there was evidence that it was also gladly received. The extent of the partial subsidisation was spelt out by Len Bassett who was first given health cover after 1985. He explained that: "Work subsidise [it] to a small degree - it is only subsidised to the extent that we are able to command a better premium because of the [employer] involvement".

Mike Cook, historically a supporter of public welfare, joined a health insurance scheme which was also subsidised to a small degree by his employer when it was offered in 1988. He had not had health insurance in any of his previous jobs. By way of explanation, Mike said:

It was never necessary to have a health scheme because the public health system was second to none, and neither of us were ever brought up to think of anything different. I mean, we weren't brought up to think of private care. ... I'm not sure whether I would have got into that, but they subsidised me on the regular care of Southern Cross.

While his comments imply a certain ambivalence about taking the private cover, given his stated support for the public system, they also imply the perception that the public system was no longer "second to none". This change in the perceived quality of the public health system therefore required other measures to be taken. Private cover was increasingly becoming a factor to be considered in the labour supply decisions of those who had it.

An Inertial Consumption Effect

When health cover was provided as a part of the conditions of the job, it established a level and type of consumption that, when lost through redundancy, some households continued to maintain via their own resources. To this extent, it could be said to represent an "inertial consumption effect". Geoff and Denise Wood had occupational health cover from the early-1970s and reported that it had been a "real help". The health scheme was terminated when they lost their jobs in 1990/1991 and was not continued as part of Geoff Wood's new part-time arrangements. The loss of the insurance was a significant break in their pattern of health service consumption. They therefore decided to take out private health insurance. It was a large financial burden as Denise Wood

explained: "It's a fairly big bill ... \$800 a year. ... It is one of the big bills, but I've got health that can be good, and not so good, so I wouldn't like to be without it". Denise did not report having any particular conditions that specifically required the extra cover of private health insurance. Rather, she valued the prompt service she could receive via the private system for the treatment of any illness. Their own means for meeting the cost after the loss of their jobs in 1990/1991, however, were severely limited. Geoff Wood had a part-time job between 1991 and 1994, and Denise Wood became self-employed in 1994.

The same process can be observed in the Adams household. Sarah Adams explained that, after losing her job in 1985, she continued with private health cover to accommodate the special needs of her family's life-cycle stage. She explained that:

The [department store] used to put us through it at a concession rate with Southern Cross, but when I lost that [job] it was dissolved. So we joined it when we had the kids [in 1985. We took it out] mainly for the children - we just decided that we would take it out for the kids' sake ... it was a bit of security I think.

The Adams household, though, as noted earlier, had received parental assistance with the purchase of their home and were therefore not facing the same financial demands at this life-cycle stage as others in their cohort. They could afford to maintain their own private cover following the loss of occupationally provided health cover. The other point is that once established, private health care consumption tended to be persistent over time, despite the loss of the source of the initial provision.

PENSIONS AND HOUSEHOLD LABOUR SUPPLY

Household provisions for retirement income in the life and work histories were also considered in relation to household labour supply. The linkage between labour supply and state provision of retirement income is typically understood as being based around the factors of "wealth and household income, the range and nature of benefits and pensions available, and people's preferences for leisure over work" (OECD 1995:13).

There is an obvious link between exit from the labour market, entry into the social category of "the retired" and the availability of retirement income (Esping Andersen 1990:152). Schmidt's (1993:214 ff.) review of cross-national data on labour supply exit found that high levels of male withdrawal were facilitated by a low statutory retirement age and a relatively high level of income available from the old age pension. Female labour force participation, on the other hand, tended not to coincide with this, suggesting the greater influence of cultural as opposed to economic incentives.

Developments in New Zealand Pension Policy

Since 1898, New Zealand's state pension has, characteristically, been non-contributory and tax-funded, and paid out at a flat rate. Prior to 1977, a universal superannuation payment was available at age 65 for those who met residential criteria. The payment was taxable, but was not reduced for other income. An income-tested pension was also available from age 60. National Superannuation, introduced in 1977, replaced these earlier provisions with a universal taxable pension, available to all over the age of 60, subject only to a residency test (St John 1992:128). The notable increase in early retirement in New Zealand over the past 15 years has been explained in part as a result of the provision of the more generous retirement income from 1977 (Deeks et al 1994:413).

Following the election of the Fourth Labour Government, a surcharge was implemented in 1985 which reduced the effective payment to better-off superannuitants. Despite that reduction, the principle of a tax-funded state pension was re-affirmed with the renaming of National Superannuation as Guaranteed Retirement Income in 1989. The rate of payment was indexed at 65-72.5 per cent of the after-tax average wage (for married couples). Private pensions were not encouraged by the state and earnings-related pension schemes were not offered (St John 1992:132). The age of eligibility, however, was to be extended out to 65 again, with a period of transition until the year 2006.

The trend towards targeting, signalled initially with the introduction of the 1985 surcharge, was accentuated following the election of National in 1990. Initially there

were plans for an extremely harsh system of targeting which fundamentally threatened the previous commitment to a universal pension as of right. After unprecedented negative fall-out in the electorate, the means-test was abandoned and the government returned to "an individually based pension with a surcharge operated through the tax-system" (St John 1992:127). The rate of the surcharge was raised and the income exemption lowered. The transitional period for extension of the age of eligibility to 65 was reduced to the year 2001. Since then, questions about the future availability of a state pension above mere subsistence rates, and a renewed debate over compulsory savings schemes, have coincided with the establishment of a Retirement Commissioner whose role includes the promotion of individual saving for retirement. There have been concerted efforts to "make people over 60 more reliant on [paid employment], private superannuation packages or income from investment, and less reliant on a universal pension" (Deeks et al 1994:413).

This, then, suggests the existence of two distinctly different pension policy environments. The review of the life and work history data will consider the inter-relationship between these and the labour supply activity of the households.

Legacy Expectation: A Disincentive

The main forms of retirement income to which the households had access were public pensions, occupational-based pension schemes, individual pension schemes and the expectation of wills or legacies. The availability of these, with the exception of legacies, was framed differently in each welfare regime.

James and Sarah Adams of the younger cohort, who had neither an occupational nor a private form of provision listed, were expecting to receive a legacy. James Adams was an only child and he explained their situation as follows:

When my parents pass on Sarah and I get left quite a large legacy ... so from that point of view, although I'm working, I've always got that in the back of my mind - I'm always going to be okay.

They had not made any other provisions and did not report any intention to do so. James

had a strong assurance that he would receive the legacy, indicating that it was of a sufficient amount and unlikely to be consumed by his parents in their old age. As with their experience of house purchase, access to parental wealth played an important role in determining their experience of income provision for old age.

TABLE 10.3
RETIREMENT INCOME PROVISION OF HOUSEHOLDS INTERVIEWED

Household Name	Private Pension Scheme Pre-1984	Private Pension Scheme Post-1984	Occupational Pension Scheme Pre-1984	Occupational Pension Scheme Post-1984
<u>OLDER COHORT</u>				
Malone	X	X	X	X
Cook	X	X	X	X
Fraser	X	1987+	1982+	prior to 1987
Wood	X	X	1973+	prior to 1990
Wilson	X	X	X	1989-1994
Bassett	X	1985	1973+	prior to 1984 and 1985+
Young	X	1984+	X	X
Price	1981+	continuing	1969-1978	X
<u>YOUNGER COHORT</u>				
Foster	X	1990+	X	X
Parker	1981+	continuing	1978-1978	X
Sykes	X	X	X	1986+
Mills	X	1989+	X	1992+
Adams	X	X	X	X

It was, however, "anticipated" access and subject to risk from changes in death duty rates or the possibility that his parents would live until very old age requiring their assets to maintain themselves. Nevertheless, with their expectation that they would receive the legacy, James and Sarah were making no provision of their own. They did not comment on their ability to afford such provisions, but their lack of action may also be taken as indicating an inability to do so at their younger cohort life-cycle stage.

Anticipation of a Public Pension

There was a strong expectation of an adequate publicly-provided pension prior to the mid-1980s, and especially after 1977. That expectation was mirrored in the labour supply and savings strategies of households. The two private pensions schemes taken out in 1981, noted in Table 10.3, were actually life insurance policies which had subsequently been converted to retirement savings. They were not initially taken out with the sole object of providing for income needs in retirement. Prior to the mid-1980s, then, concerted efforts to provide for income after retirement were outside of the norm (see also St John 1992:130). This was most noticeable among members of the older cohort who, in the 1970s, when at the same life-cycle stage as the younger cohort in the 1990s, had made no private provisions for their retirement. The younger cohort, by the early-1990s, had all commenced some form of savings plan for their retirement. While none reported that they expected their current level of saving to be adequate, the fact that they were beginning to make such provision suggests a significant departure from the previous norm.

Expectation of Employment Until Retirement

Older cohort workers had expected to be able to remain in full-time employment until eligible for the state pension. Hence, they assumed they could make specific provision for old age in the years immediately preceding retirement. Nigel and Sue Wilson, for example, had not made any financial provisions for retirement before 1991. Prior to his redundancy in 1988, Nigel believed he could work until at least retirement age. The environment of full employment had historically provided for full-time work until 60.

With his career in the public health sector coming to an abrupt end, however, he was placed in the vulnerable position of being an unemployed older worker with limited employment opportunities (cf Doeringer and Terkla 1990:159). In addition, he faced the raising of the age of eligibility for the pension. With the transitional period, Nigel would not become eligible until he was age 63 and a half years. After his job loss in 1988, and resignation in 1994 (at age 57) because of stress related health problems, Sue Wilson commented that not seriously planning for their old age when they were younger had been a grave mistake. She reported that they just had to accept they would be living on a low income in their old age.

Occupational Pension Schemes Pre-1984: Attractive but Non-essential Perk

Private superannuation schemes, be they occupationally or individually funded, were the source of income for only about 15 per cent of those aged over 60 in New Zealand by the end of the 1980s. "About two-fifths of these had pensions from company schemes, and most of the rest received pensions from the Government Superannuation Fund" (St John 1992:130). Many of the occupational pension schemes held by that 15 per cent of the population were for small amounts only. The interviews indicated that in the environment where non-contributory pensions were the primary source of retirement income, occupational pension schemes also tended to be considered an attractive but non-essential perk. As with occupational health schemes, these schemes were not described as a feature of the job that, on their own, influenced household labour supply decisions. Similarly, it appeared that the provision of an occupational pension scheme was indicative of generally good working conditions and the respondents who were provided with such schemes were less likely to leave their jobs

As well as an occupational health scheme, Geoff Wood also had an occupational pension scheme from 1973.

There was some sort of superannuation set-up with AMP and [later with] National Provident. ... and for every dollar they took out of yours, they added two - so that was good. ... While I was working there, that was the icing on the cake.

He did not see it as essential, but as a "top-up" of the public pension. Given the generally expected adequacy of the public pension, the incentive effects of employer contributions were not necessarily strong, as was evident in Richard Price's history. He joined an occupational pension scheme subsidised by his employer in 1969. Richard left this job after nine years and withdrew his own contributions as they were not transferable. He explained that:

It was a subsidised one ... but you had to be there 12 years before you could get their contributions out. When you left all you got was your own contributions, under 12 years.

He did not receive his employer's contributions because he left three years before his entitlement to that subsidy. The practice of frequently changing jobs in an environment of high labour demand was, in Richard's case, not curbed with the lure of employer contributions to a pension scheme. The economic rationality of the job change is therefore questionable, but Richard described it as a "self promotion" into a job with a better rate of pay and conditions. With the promise of a state pension, the loss of his employer's superannuation fund contributions were not an important immediate consideration and were to be compensated for by the raise in income.

State Pensions and Worker Mobility

Richard Price's case suggests a linkage between the availability of non-contributory, relatively generous pensions from the state, particularly after 1977, and the high level of occupational and job mobility (as reported in Chapter 7; see also Easton 1991). The constraints placed on worker mobility by occupational or company-based pension schemes may well have been diminished with the promise of an adequate state pension. The absence of such constraints was also apparent in Mike Cook's history. While having the opportunity to do so in previous jobs, Mike explained that he had not joined occupational pension schemes because of his frequent movement between jobs. He described how he had the chance to join the government scheme in 1967 and the reason he did not take it up. He explained that:

I used to change my job every two years, or whatever, because I wanted experience at different parts of the trade, and jobs were available, plentiful, and I guess ... pension schemes would have been out

from that point of view.

Other interpretations could be placed on his frequent job changes, such as an idiosyncratic inability to remain in jobs for long periods or the mismatch between personality and the type of work required. The point here, though, is that the guarantee of a state pension appears to have moderated constraints placed on mobility by company-based pension schemes.

As occupational pensions schemes tended to be for small amounts only, and used as a top-up of the state pension, households could effectively take out their own private schemes to achieve the same top-up effect, as well as maintain their potential for mobility. Richard Price took out his own private scheme in 1981 for this specific purpose: "I could take it wherever I went - it didn't matter what job I had - it always went with me". He was willing to forgo employer contributions to maintain his mobility.

Job Losses Undermine Retirement Saving Plans

The job losses experienced by the breadwinner in seven of the eight older cohort households after 1984 seriously interrupted retirement savings plans. Redundancies in 1986 and 1993 undermined the Price household's ability to maintain payments into their private scheme. In Geoff Wood's case, the loss of his full-time job in 1990 also halted savings in his occupational pension scheme. He reported that the scheme had been the, "real icing on the cake, and [that it was] starting to go quite nicely when it all went wrong. ... That's still there, but I'm not paying anything into that now". When asked to comment on his ongoing provisions for retirement, Geoff said, "Unfortunately, with me ... it's a bit late for that now ... If there is no wage coming in, there is nothing to put by".

Dan Young's comments alluded to linkages between insecurity of job tenure and the particular disadvantage faced by his cohort in the transition to a new pension regime:

There's thousands in this situation. ... we have to provide for our own retirement - and that costs money. And there we were at 45 or 48 years old, and we were faced with [having] to work till you

are 65 ... Not many can - not a lot of people will get jobs until they are 65.

His final comment pointed to the new challenge for older cohort members of actually remaining in paid employment until eligible for the state pension. He noted that the income pressure to provide for their own retirement had placed him in a situation of needing to take whatever work he could. His succession of non-standard jobs and job losses suggests that the need for income resulted in a type of added-worker effect involving participation in an insecure segment of the labour market (Chapters 8 and 9).

Dan and Margaret Young reported that the private pension scheme they had taken in 1984 had not been maintained at their preferred level of savings. As Dan explained:

We are now in a position where we have [had] to cut it back. ... I doubt now whether we will have adequate provision - it depends how much you want of course. Some people might be happy to have just a freehold house and a car - and if that's what we've got then that's what we've got. ... I think we will have [that by the time we retire]. ... If we haven't we haven't, and what the hell can you do about it. ... We are not going to have as good a retirement as we thought we were going to have.

Dan stressed that he did not simply want to "tell a sad story". He foresaw that the security and income of his jobs up until retirement would determine, to a greater extent than previously, their quality of life and level of income in retirement.

Older Cohort Disadvantaged in Transition to New Pension Regime

Members of this particular older cohort group were disadvantaged by a lack of opportunity to prepare for a more closely targeted pensions regime. Furthermore, the shortened time-frame for raising the age of eligibility from 60 to 65 magnified the disadvantage for those households where there was a big difference in the ages of the husband and wife. Joy Cook explained the impact on their household:

I'm now in a position that I can't retire until I'm 65 officially, and I'm six years younger than Mike, and he can retire at 62. So that makes him 71 when I'm 65. ... So this is more of a problem to us than it might be to some people because of the age differences. We have come in between the two systems. ... So we're actually in that awkward gap where we have got nine years difference between when one [person] retires and the other [does].

At the time of the interview, Joy Cook was moving from two part-time jobs into one full-time job. Mike Cook would receive the individual pension at age 62 in 1996, but Joy Cook would have to work a further nine years before being entitled to it herself in the year 2005 (cf St John 1992:127).

Male Breadwinner Norms Define Provision for Retirement Income

Male breadwinner norms defined the household strategies for the provision of income in retirement. Each of the occupational pension schemes listed in Table 10.3 was related to the jobs held by male breadwinners. Males, especially in the older cohort, had the role of planning and providing for income needs in retirement. The exception was in Dan and Margaret Young's household where they had a private superannuation scheme. Both were in full-time work and contributing to the costs of the scheme. In Geoff and Denise Wood's case, however, both had worked full-time for the same firm prior to their redundancies in 1990/1991, yet Geoff had the occupational pension scheme on behalf of the household. In Nigel and Sue Wilson's household, Sue, who had worked full-time from 1974, had been presented with various opportunities to join such schemes. She had never done so on the advice of Nigel. The management of household finances had been Nigel Wilson's responsibility and had included retirement income provision.

The erratic and inadequate earnings of part-time jobs made belonging to such schemes impractical for part-time workers. Joy Cook, while working in casual and part-time jobs, had not joined any schemes, but she gave the example of friends of hers who had.

Some of the other [casual part-time] workers ... have joined some sort of pension scheme. It has now become a bit of a hassle, because if they don't do very much work one week, they have still got to pay their pension scheme into Tower or wherever they have got it, and so, they are now weighing up the pros and cons - do they still continue paying it in if they don't get work, or what?

The non-contributory basis of National Superannuation had since 1977 provided a high degree of income security and equitable treatment for women in old age (St John 1992:133; Shannon 1991:71). The new emphasis on individual responsibility to meet income needs beyond a minimal state pension, raised questions about the future income

prospects of those women who had not been in full-time work. The women workers, concentrated in part-time and casual jobs, were comparatively limited in their potential to save and were dependent on provisions made by their husbands.

Responses from the younger cohort women implied that they were more aware they would have to ensure their own income for retirement. While, by and large, male breadwinner norms of provision prevailed in the younger cohort, women in these households played a larger role in decisions over both the need for and type of long-term provisions for income in retirement. This can be linked to the greater role they played in household financial management (see Chapter 6).

Expectations of Inadequate Retirement Income Provision

The overall impression gained from the respondents was that they expected their provisions for retirement to be seriously inadequate. The expectation was evident in both younger and older cohorts. The effect was a persistent sense of apprehension about approaching their old age.

Richard Price, for example, who had taken out private superannuation, reported that it had become inadequate given the new pension arrangements following the changes of 1991. "In 1981 when we took it out, it was OK for that time, but not today. We've had inflation. It won't cover me at all". He went on to express his confusion at how best to plan for his retirement and his inability to do so.

I've got no idea what would be a wise way to plan things, and I don't think 99 out of a 100 people have got any idea of how to plan. ... The government says everybody has to make plans, but who does?

Len Bassett had made both private and occupational based provisions for retirement. At the time of the interview he was saving the maximum he could. He commented: "At times I have found paying jolly insurance premiums quite a hurdle". When asked if he expected these provisions to be adequate, he said:

Not really, in light of the conditions - when they are saying there is going to be less and less of National Super available. If there was no National Super at all, the superannuation that I have got

would be inadequate. ... I'm hoping there will still be some superannuation there by the time I come to get it.

Both Shirley and Len expected that he would work on a part-time basis as a backyard, self-employed secretary-accountant, in order to meet their income requirements after he retired at 65. Ken Fraser also questioned the benefit he and Noeleen would receive from his pension savings in retirement:

Oh, I've been contributing to a ... private one, but what good it's going to be I don't know. There's a little bit there, but not enough to live on. We took it out fairly late - it compounded on itself so you paid more into it every year. ... and then the share-market crashed, and this crashed with it - so it is not worth what it was predicted.

The younger cohort expressed similar frustrations in their attempts to meet recommended levels of saving for retirement. They all, except for James and Sarah Adams, noted that the more immediate costs at their current life-cycle stage precluded saving. A typical comment was, "Well at the moment, the amount we are paying is as much as we can afford" (Dennis Parker). Mark and Bernadette Mills had a private superannuation scheme, having taken it out because of publicity stressing the need to begin to save for their retirement. Their savings were put on hold when Mark was without a job between 1990 and 1992. Bernadette reported: "We haven't increased it like they have told us to - just because we can't really afford it". Mark added:

It is not enough according to what the agent keeps telling us. ... I don't actually think that the way we have got our super set up is the answer to our retirement - it is more like a saving account that we are doing as a reflex [action] to the publicity from Wellington. We have got to have something, and we have started this thing and we know it is not going to do what we want it to do ... it's something like \$120,000 - it's not very much - it's not enough if you retire at 60 and live till you are 80.

They had recognised a need to save more for their retirement but were unable to do so at their life-cycle stage.

SUMMARY

The objective of this chapter has been to observe the impact of the trend towards increasing welfare selectivism in the policy areas of housing, health and pensions on the labour supply activity of the households that were interviewed. Linkages were found to exist between the different eligibility criteria in each regime and patterns of labour market participation.

Prior to the mid-1980s, housing assistance was provided in a way which promoted male breadwinner patterns of labour supply and reinforced the view of the woman's sphere as being in the home. Whether through state rental or state subsidised finance, assistance was for the immediate benefit of the male breadwinner household. Rents and interest rates were set at levels designed to alleviate the need for added labour supply. The housing assistance policies were located alongside the minimum incomes-based form of social assistance of the male wage earner regime. There was therefore a certain congruence between these measures and home ownership was an attainable aspiration for most working families. House purchase became a key life-cycle event in the early years after marriage.

Alongside provisions for housing was the largely universalistic provision of health care. The assurance of publicly provided health care was most evident in the use made of occupational or individual private health insurance. Occupational or private health cover were seen, respectively, as either an attractive but non-essential perk or as a positional good. Private cover was preferred at high vulnerability life-cycle stages as a way of sidestepping waiting lists in the public health system. While indicative of attractive employment conditions, occupational health cover tended not on its own to be a factor which influenced labour supply decisions.

Prior to the mid-1980s there was a strong expectation that public pensions would be available. In this environment, occupational pension schemes and small private provisions tended to be seen as an added bonus to "top-up" the universal National Superannuation rather than as essential long-term provision. The constraints placed on

worker mobility by occupational pensions schemes were moderated with the guarantee of a non-contributory state pension.

The assurance of a state pension diminished with the transition to a liberal welfare regime placing a new demand on household income. However, in a labour market where the risk of job loss had increased dramatically, the ability of households to meet these new demands was limited. While all of the households reported aspiring to implement retirement savings plans, job losses or reductions in real wages impeded those plans. It was the older cohort in particular who had been most disadvantaged by the policy change, although the younger cohort also reported being unable to make the recommended necessary savings. Anticipation of declining pension levels increased the income demands facing the older cohort. It was, in one instance, linked to an added-worker effect whereby the older cohort male accepted insecure and unprotected jobs to bolster savings. Furthermore, some older cohort males expected to continue to work on a part-time or casual basis in retirement to supplement their state pension. It would follow that the availability of occupational pension schemes began to exert a greater influence on the labour supply decisions of households, particularly in the younger cohort.

In a similar fashion, as the assurance of an adequate public health service diminished in the transition to a liberal welfare regime, there was a growing preference for private or occupational health cover. For those who could afford it, private cover continued to be used at key life-cycle stages for the extra security provided. The coincidence of house purchase costs and the arrival of children in families was found to impede the use of private health cover and the perceived extra security it provided. In this environment, occupationally subsidised health care was readily accepted by workers and was seen as an alternative to income. The data also suggested that long-term coverage by occupational-based health insurance created an inertial consumption effect. This meant that when it was lost through redundancy, workers were inclined to continue with private cover themselves, contributing to the need for additional income and wage dependency.

The effects of variation in state housing assistance for the male breadwinner household

type were evident in the changing adequacy of the sole male income to meet household income needs, usually around the time children were born into the households. State housing assistance began to decline markedly from the mid-1970s mirroring the demise of forms of social protection based explicitly around the male breadwinner household type. Moderate to low income families therefore found the sole male income inadequate to meet house purchase costs. An added-worker effect to meet income needs associated with house purchase costs was evident from the mid-1970s, and tended to involve female entry into part-time employment (see Table 10.1). The trend of increasing incomes in the 1970s, however, meant that initial financial difficulties associated with house purchase were not long-term.

By the 1980s, direct government involvement in the promotion of home ownership was a shadow of what it had previously been (Ferguson 1994:8). Housing assistance began to be targeted more carefully at the poorest families regardless of their household type. The increasing cost of housing through the 1970s and the declining level of state assistance were mirrored in the labour supply strategies of the younger cohort. All of the households in the younger cohort had bought their house prior to the birth of their first child (see Table 10.1). Child-bearing was deferred and there was evidence also of women returning to paid work sooner after the birth of the first child to meet ongoing house purchase costs. The availability of family wealth through parental assistance with the costs of house purchase, was evident as an alleviatory factor in two of the younger cohort households.

The work histories indicate that worker mobility was enhanced by the assurance of health services and pensions in the mid-century period. Occupational-based schemes did not play a significant role in labour supply decisions. Housing assistance was provided in a way which reinforced male breadwinner norms and female economic dependency, but it did moderate the total level of household labour supply required to achieve house purchase. When state welfare provision in each field of policy was reduced by the transition to the liberal welfare regime, a process of recommodification of household labour occurred. The whip of income necessity began to play a greater role in labour supply decisions. With private health and pension schemes promoted in the liberal

regime, households were more inclined to avail themselves of occupational-based programmes where possible, or meet the costs themselves. The availability and criteria of occupational-based schemes, therefore, began to play a greater role in household labour supply decisions.

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CONCLUSION

The objective of this thesis was to examine how the nexus between work and households had been altered by the transition to a liberal welfare regime. Defining the goal as such indicates an institutional perspective where, as Esping-Andersen (1990:221) states, labour markets are seen to "derive much of their logic from how they are embedded in the institutional framework of social policy". This is not to deny the impact of other important institutional features of the New Zealand social and economic landscape. Rather, the objective has been to examine trends in labour market activity and experience in a way that establishes the central role of the welfare state.

The influence of the neoclassical perspective in government policy analysis has tended to restrict the focus of labour market analyses to the relationship between work and the disincentive effects of welfare benefits or the market distorting effects of state regulation and unions. The institutional perspective provides for a broader-based analysis that allows linkages to be drawn between the social protection framework provided by the welfare state and the behaviour of labour markets. In so doing, it provides for an analysis of developments in the nexus between households and work in a way which recognises the complexity of institutional interactions and their historically variable outcomes.

In this research, the institutional perspective facilitated:

- i) an examination of alterations in the normative basis of household labour supply on the basis of the view that people engage in work from within socially and culturally instituted contexts;
- ii) the examination of variation in opportunities for labour mobility in terms of the institutionalised patterns of labour market segmentation. The premise was that opportunities for mobility and skill acquisition were defined by the particular labour market segment in which workers were located, and that skill acquisition itself had limited efficacy in achieving mobility between institutionalised segments. The notion that the labour market derived its logic from the way it was set within the framework of social policy suggested that new patterns of labour market segmentation were likely to emerge in the transition to a liberal welfare regime. Workers in the new regime would, therefore, face different opportunities for mobility and the acquisition of workplace skills;
- iii) an examination of unemployment on the premise that different historical welfare regimes contained distinctive combinations of policy options, or institutional set-ups, that have affected the rate, cause and experience of unemployment;
- iv) an examination of the effects of the transition to a liberal welfare regime on labour market security;
- v) an examination of the effects of increasing welfare selectivism (in the areas of housing, health care and retirement income) on the labour supply activity of households.

Complementary macro- and micro-level data was used to illuminate changes in employment activity and experience that occurred with the shift to the liberal regime. The review at the macro-level provided a structural back-drop. It outlined how the male wage earner regime was based around the institutionalisation of a strong commitment to full employment. Full employment was achieved within the context of measures for the protection and stimulation of export industries, and through the use of expansionist measures that were designed to enhance the organisation and development of domestic industry. Full employment was also promoted by a growing public sector which provided jobs in the burgeoning areas of health, education, welfare administration, and public

works and services. Males had access to high levels of employment, improving conditions, and rising real wages. Historically high standards of living were achieved through the "family wage", set within the arbitration system, institutionalising men in both the labour market and the household as breadwinners. Women, on the other hand, tended to be excluded from full-time participation in the labour market and were either economically dependent or secondary earners within the household. The equitable distribution of income for the mutual well-being of all within the household was assumed and women and children obtained their living mainly as dependants. With full employment and the guarantee of a minimum family wage, male breadwinner households did not require income support, except in their retirement years.

The Castles (1994a) account emphasises the defining role of the complementary tariff protections and minimum wages in describing the means to social protection in New Zealand through this period. The generous social expenditure policies of the First Labour Government, in both the Social Security Act 1938 and the demand management activities, were also important but were steadily eroded in subsequent decades. With the re-emergence of the wage earner regime by "stealth" through the 1950s and 1960s, social stratification became strongly defined by linkage to the labour market. The relatively generous benefits of the Social Security Act had been steadily eroded and access to welfare became dependent on status as, or relationship to, wage earners. However, the provisions of the male wage earner regime became increasingly ineffective as traditional ties of family dependence were transformed through change in mores, family structures and levels of female employment (Castles 1994a:31). Furthermore, as wage control rather than social expenditure on benefits had been the main instrument for the achievement of welfare, the wage earner provisions were not designed to deal with the type of unemployment that emerged from the late-1970s.

The liberal regime instituted over the decade from 1984 was based around a greater level of confidence in the efficiency of the market to allocate position in and returns from employment. The liberalisation of the economy and the reform of the public sector occurred in conjunction with the application of a monetarist strategy. The result was large scale disruption in the labour market with rapidly rising unemployment and

declining security of tenure once in a job. Historical patterns of segmentation, which had been mitigated somewhat by the effects of full employment and the blanket coverage of awards, became more apparent. These processes were facilitated by the removal of many of the statutory regulations designed to ensure worker protection in the previous regime. The final demise of the wage earner regime was signalled in the Employment Contracts Act 1991 with the abandonment of the statutorily supported, centralised system for the setting of wages and conditions. Furthermore, a new ethos of rigorous selectivism required households, through closer targeting of benefits or higher user-pays rates, to provide more of their own welfare. Greater demands were placed on household incomes with rising charges for: the support of their unemployed youth members; the payment of tertiary education; the provision of retirement income; the use of state housing; and the use of public health care services.

Life and work history data was collected and examined against this macro-level account of structural change. Work history data provided a basis for answering questions about how micro-level choices inter-related with changing macro-level outcomes (cf Kolberg and Esping-Andersen 1992:13). The method was selected as it was an ideal way to examine the effects of institutional change at the individual household level. The work histories were productive in illuminating the coincidence between people's working lives and the institutionally defined opportunities and constraints that influenced them at specific historical periods. The narrative accounts illuminated the actual "lived out" effects of the two welfare regimes. Using the household as the unit of study made possible the inclusion of a gendered analysis and the selection of the stereotypic nuclear family provided for a review of developments inside male breadwinner households over time.

THE CONTRIBUTION OF THE MICRO-LEVEL WORK HISTORIES

Male Breadwinner Norms

The macro review showed the close historical inter-relationship between male breadwinner household labour supply and the wage earners' welfare state. That arrangement was designed to deliver to all male workers an adequate family wage, the minimum level of which was set on the premise that women and children were economically dependent. It reflected and reinforced the gendered nature of the family and workplace. It led to the reinforcement of what became a very strong male breadwinner culture with low levels of (particularly married) female participation in paid employment. Minimum wage rates for women, set at about half that of men (on the grounds that they were not normally responsible for economic dependants), institutionalised female economic dependency. With marriage and childbirth as their primary option for support, the wages policy strongly reinforced their place in the home as domestic workers and carers. Men, on the other hand, had access to high levels of employment, improving conditions and rising real wages.

The macro review revealed a trend of increasing female labour force participation (particularly for married women) through the 1960s and 1970s. Full employment and growth in the service sectors enabled women to gain access to economic independence outside of the male breadwinner household through paid work. Female economic independence was also advanced by reform of welfare benefits; for example, with the introduction of the domestic purposes benefit. Traditional ties of family dependence were changed and a broader diversity of household types emerged. The nuclear family became less dominant and an increasing proportion of two parent families began to have both parents in paid employment. It was in this context that notions of the minimum family wage, paid to male workers, began to be called into question.

With the decline of the sole male breadwinner household, the welfare institutions that were based on such a model appear to have been replaced by non-gendered forms of state social protection. The transition to the liberal welfare regime involved the

abandonment of centralised wage fixing in favour of a system of "topping up" poorly paid families through non-gendered "family support" rebates, and, according to the ideology, the use of the market to determine income. It would appear that within the new institutional arrangements, neither men nor women were favoured as breadwinners.

The work history data covered the allocation of roles and identities within households and provided a basis for examining alterations to that cultural context. While the macro-level review points to the decline of the male breadwinner household, it was apparent from the work histories that both men and women across cohorts continued to adhere closely to traditional sex-role attitudes. Male breadwinner roles were automatically adopted at the time of household formation and birth of the first child. This was linked to expectations about the longer-term and, normally, higher earning potential that men had. It was also based around perceptions of "naturally" gendered capacities. Females were seen as being naturally equipped for the provision of child care, whereas the identity of males was tied closely to their role as breadwinner and to jobs by which that could be achieved. Men adopted the responsibility as household providers and remained primarily responsible for household income provision after the birth of the first child.

Child care provision remained, at both an institutional and normative level, in the realm of the family. With the persistence of family-based child care norms and the dominance of the female domestic work role, women in both cohorts were likely to return to part-time or casual employment, rather than full-time employment, after childbirth. They tended to be limited to jobs where hours of work coincided with the availability of their partners or their own parents to provide child care. The persistence of male breadwinner norms was also evident in the re-employment of women, after child-bearing, in a narrow sphere of jobs that tended to be an extension of the domestic work role.

Male unemployment presented challenges to these norms, but they were often short-lived. Men in these households were reluctant to become economically dependent. In instances where women did become the primary earner, there was evidence that they sought to maintain their husband's status, and therefore ongoing responsibility, as the breadwinner by de-valuing their own contribution to household income and describing

it as an extension of the domestic work role. Disruptions to male-breadwinner normative structures that did arise from unemployment were restored following male re-employment.

The macro review noted an increasing proportion of households where both partners worked full-time. The work history findings would suggest, however, that when this occurred, male breadwinner norms continued to be influential. Females in full-time work tended to not have the same careerist objectives as men and the male's career continued to be paramount. Females also retained primary responsibility for domestic work.

Despite the overall conformity to male breadwinner norms, there were differences between the older and younger cohorts at the point of marriage and childbirth. Younger cohort women tended to remain in full-time work for significantly longer after marriage than their older cohort counterparts. Reasons for this can be linked to the transition to the liberal welfare regime. First, it was apparent that childbirth was delayed to allow the purchase of the family home. As state housing assistance declined markedly from the mid-1970s, moderate to low income families found the sole male income inadequate to meet house purchase costs. This resulted in an added-worker effect to meet the costs and involved postponing the birth of the first child in order to save for the house deposit. Younger cohort females returned to part-time employment sooner after the birth of the first child to meet ongoing house purchase costs. It was also evident that with diminishing opportunities for standard full-time jobs, younger cohort women often remained in full-time paid work to allow a longer period for the male to become established as the primary breadwinner.

Younger cohort women, therefore, by comparison with the older cohort, were more likely to have established their own economic independence after marriage. They were more likely to have an identity outside of the family and house worker role and played an important role in contributing to household income. To this extent, the experience of the younger cohort women indicated the rigid role definition in male breadwinner households was diminishing.

Opportunities for Mobility and Skill Acquisition

Prior to the mid-1980s, state sponsored minimum awards in an environment of full employment had the effect of assisting the transfer of favourable conditions down the hierarchy of labour market segments. With high labour demand and employer strategies of enticing and retaining workers (by offering opportunities for training and upward mobility), the costs of training were shared between worker and employer. In this environment, male workers had access to internal and occupational labour markets and a high level of mobility within and across them.

The propensity for women to be employed in casual and part-time work, in jobs that were an extension of the domestic work role mirrored persistent patterns of gender-based labour market segmentation. The work history data did not answer the question of whether family structures or labour market structures underpinned that segmentation. What it did do, however, was emphasise the way household norms influenced female exclusion from primary labour market segments. House and family work responsibilities continued to play an important role in the entry of women into secondary labour market segments. Furthermore, child-bearing, and part-time work taken to accommodate child care responsibilities, were linked to the deterioration of women's skill-base and the erosion of their position in the labour market.

One dimension of the processes within households propelling women towards secondary labour market segments was their propensity to mirror their husband's labour market status. Deterioration in the labour market status of husbands was often mirrored by wives. The trend was rooted in the reluctance of men to become economically dependent on their wives and in compensatory behaviour by women, such as withdrawing from full-time work to avoid jeopardising male benefit entitlement. It pointed to the close association between male and female employment within the type of household that was selected.

The emergence of new patterns of labour market segmentation through the transition to the liberal welfare regime was evident in the work histories. The picture portrayed at the

macro-level was of an increasing disparity between the good jobs of those employed in primary labour market segments and the bad jobs of the secondary segments. Wages and conditions were forced down in secondary segments and opportunities for mobility restricted (Hammond and Harbridge 1993). The new demarcations between labour market segments became apparent through the increasing disparity between the labour market position of more vulnerable groups (youth, women, Maori and Pacific Island Polynesians) and those employed on a full-time basis.

The work histories pointed to fewer opportunities for labour market mobility and skill acquisition in the liberal regime. In an environment of high unemployment and an industrial relations system designed to promote numerical flexibility in firms, opportunities for upward mobility in internal labour markets decreased. The widespread laying-off of staff as a business management tool resulted in full-time male workers in both cohorts being ejected from internal labour markets. Life-cycle stage played an important role in determining subsequent opportunities for employment and skill acquisition. Those in the younger cohort were more likely to be re-employed in jobs with opportunities for training and upward mobility. However, they had fewer chances for movement out of these internal markets than had been possible in the previous regime. Older cohort males were less likely to be re-employed in jobs with opportunities to improve their position and instead tended to find themselves in semi-skilled labour markets. The experience of redundancy and re-employment in a semi-skilled labour market segment mirrored a process of deskilling for older males. As their specialised skills declined in status and they were no longer in demand, they were forced to compete with cheaper sources of easily substitutable, minimally qualified labour.

Those who found themselves in semi-skilled and casual labour markets, and who wished to improve their position in the labour market, faced increasing requirements that skills be acquired off-the-job on a user-pays basis. Workers themselves began to bear more of the cost of training in the liberal regime. Fewer opportunities for occupational training in the workplace left those in low skilled occupations trapped, with limited scope for mobility. Older cohort workers with employer-specific skills were most disadvantaged. Once ejected from internal labour markets, their mobility was often reduced to that

between employment in semi-skilled segments and unemployment, rather than within and across occupations.

Unemployment

Full employment remained a leading policy goal up until 1984 and was pursued as a matter of urgency. Active labour market policies at both the macroeconomic and microeconomic levels were used to promote a level of unemployment that was at least equivalent to the number of available jobs. The reconceptualisation of the full employment goal following the institutionalisation of the liberal welfare regime resulted in the abandonment of that objective. Price stability was favoured on the rationale that it would provide the basis for sustainable economic and, according to the new orthodoxy, employment growth. The outcome was the loss of full employment, both as a policy goal and a forecast reality.

Unemployment, which had been contained, if not eliminated, by state-led Keynesian investment policies up until the mid-1980s, was below 4 per cent in 1986, but rose rapidly thereafter to reach a peak of 11 per cent in 1993 (Castles 1994a:27). The growth in unemployment coincided with: i) the abandonment of Keynesian strategies; ii) the use of monetarist policy and high interest rates to induce recessionary symptoms and reduce inflation; iii) the dismantling of trade barriers and incentives structures; and iv) public sector restructuring.

The work histories illuminated the effects of unemployment policy in each of the two periods covered. Prior to the late-1970s, frictional unemployment was the norm for male workers as they voluntarily moved between jobs. Female unemployment tended to be disguised, mirroring their domestic work role and economic dependence on male breadwinners. If males were unemployed in the 1960s and early-1970s, they tended not to register and receive income assistance. Rather, households themselves bore the costs of supporting their unemployed members for the short time they were likely to be without a job. The assurance of re-employment tended to moderate the negative personal effects of job loss.

In the liberal regime, registering as unemployed and claiming a benefit became the initial option for households following job loss by males. The increased propensity to register was mainly due to pessimism regarding the prospects of finding another job, and the length of time that was likely to take, in an environment of high unemployment. There was no evidence from the work histories to imply that the availability of an unemployment benefit resulted in disincentives to look for work.

The work histories show two patterns of employment activity followed job loss in the liberal regime. Both patterns involved a deteriorating labour market position and were categorised in terms of an added-worker effect and a discouraged-worker effect. Added workers were those who responded to the "income necessity" created by job loss by accepting any work available. This work was characterised by poorer conditions and lower income. Self-employment, as a response to unemployment, was representative of a broader process by which employers externalised their workforce. External workers were those employed on temporary, contractual bases and they did not have access to the statutory protections of waged workers. Re-employment as a wage worker following an episode of unemployment was, in every case, in positions offering poorer conditions than previous jobs.

The discouraged-worker response to unemployment resulted in withdrawal from the labour market. Women, in the male breadwinner household context, were most vulnerable to this, with each female who was made redundant exiting the labour market and entering either unpaid domestic work or work in the informal economy. Older cohort males in the work histories who exhibited features of the discouraged-worker syndrome moved out of employment onto accident compensation and the sickness benefit. The discouraged-worker response, therefore, tended to conceal unemployment.

Security

Since 1894, New Zealand workers (mainly male) had been provided with minimum employment conditions and income security through the institutionalised system of arbitration and conciliation. The centrally focused industrial relations system shifted the

site of conflict between workers and employers away from the workplace to the Arbitration Court (or some other centralised body, such as the Conciliation Council). The transition to the liberal regime saw labour relations conducted back at the workplace on a decentralised and individualised basis. The change coincided with a reported deterioration in job conditions. Wage disparity increased as growth in part-time and other non-standard forms of employment at the bottom end of the labour market replaced full-time jobs at standard wage rates (Brosnan and Rea 1992).

Trends in the labour market security of male breadwinners was examined on the premise that any deterioration in their level of job security would imply an adverse effect on the whole household (particularly for other members employed in secondary labour markets, by increasing the need for their income). It was examined through the three key aspects of: i) risk of job loss; ii) opportunity for input into job conditions; and iii) a more general appraisal of protection from adversity in the job.

Male breadwinners had confidence to change their jobs for a range of personal, family and work-related reasons in the wage earner regime when there was a low risk of job loss. In fact, the main form of control these workers had over the terms and conditions of their employment, other than through their union, was their ability to "shop around" and move out of unsatisfactory jobs. The threat of moving was itself effective in gaining improvements in conditions.

The increased risk of job loss in the liberal regime meant male breadwinners were not willing to voluntarily risk changing jobs for personal or family reasons. Instead, if they found themselves in unsatisfactory jobs, they were forced to "stick it out", often suffering deteriorating conditions. Their immobility was intensified by their role as provider and the risk to household income that attempting to change jobs represented. Younger cohort breadwinners with dependent children were reluctant to risk their primary source of household income by actively pursuing other jobs. Older cohort workers exhibited a sense of resignation about the inevitability of declining employment conditions. Furthermore, despite the apparent increased participation by employees in negotiations under the Employment Contracts Act, the work history data showed little or no effective

worker input into improvements in conditions under the liberal welfare regime.

Workers were increasingly isolated with fewer opportunities for collective organisation. Each dimension of labour market security examined indicated an obvious deterioration. The increasing threat of job loss was pivotal in that deterioration. It restricted movement out of unfavourable jobs as employment terms and conditions decreased. The high risk of job loss was therefore a defining feature of the liberal welfare regime, contributing to the isolation of workers from each other and reinforcing the individualisation of employment relationships.

Welfare Selectivism

Change in the nexus between households and work was finally examined in terms of the effect of increased welfare selectivism. The rigorous selectivism of the liberal regime increasingly required households to meet the costs of the social services they consumed. Through closer targeting of benefits or higher user-pays rates, families became responsible for the support of their unemployed youth members, were means-tested for tertiary student allowances, paid a higher surcharge on the state pension, and faced higher charges for state housing and health care. The effects of increased selectivism in housing, health and pensions policies was apparent in the work histories, in each instance resulting in an increased dependence on the labour market.

Prior to the 1970s, housing assistance had been provided in a way which promoted male breadwinner patterns of labour supply. Housing assistance policies were located alongside the minimum incomes measures of the male wage earner regime, producing a certain congruity between the minimum wage and housing policy. Home ownership became an attainable aspiration for most working families and, as such, house purchase became a key life-cycle event in the early years after marriage. The effect of closer targeting of housing assistance from the 1970s raised the need for market income and was linked to a type of added labour supply by women. Two incomes became increasingly necessary for house purchase. This was linked to the deferment of childbirth and the prompt return of women to paid employment following childbirth.

The largely universalistic provision of health care in the mid-century period was most evident in the way occupational or individual private health insurance was used by households. Private cover was preferred at high vulnerability life-cycle stages as a way of sidestepping waiting lists in the public system and tended to be seen as a positional good. Occupational health cover was seen as an attractive but non-essential perk, and while indicative of attractive employment conditions, tended not on its own to be a factor influencing labour supply decisions. As the assurance of an adequate public health service diminished in the transition to a liberal welfare regime, preference for private or occupational health cover grew. For those who could afford it, private cover continued to be used at key life-cycle stages for the extra security it provided. Occupationally subsidised health care was readily accepted by workers and was seen as an alternative to income.

The strong expectation that public pensions would be available in the mid-century period was linked to the perception that occupational pension schemes and small private schemes were like an "added bonus" to "top-up" the universal National Superannuation, rather than an essential long-term provision. Constraints placed on employee mobility by occupational pensions schemes were moderated by the guarantee of a non-contributory state pension. The transition to a liberal welfare regime saw the assurance of a generous state pension diminish, placing a new demand on household income. The ability of households to meet the new income demands of retirement saving was limited by declining real wages and the increasing incidence of job loss. The older cohort in particular was most disadvantaged by the policy change, although the younger cohort also reported difficulty making the necessary savings. Anticipation of declining pension levels and extra income demands facing the older cohort was linked to an added-worker effect, exposing older cohort workers to insecure, non-standard and unprotected forms of work. Occupational pension schemes began to exert a greater influence on household labour supply decisions, particularly in the younger cohort.

METHODOLOGICAL ISSUES AND FUTURE RESEARCH

While the changes to state pensions policy were clearly linked to the time-frame within which the liberal welfare regime had been instituted, the analysis of the trend towards selectivism in housing and health policy points to one of the issues that emerges in the research. In both housing and health policy, the trend towards selectivism had been occurring from the late-1970s and so it could be argued that the classification of those trends as occurring in the liberal welfare regime from the mid-1980s ignores the evidence. As noted in Chapter 3, however, the wage earner regime, with its attendant residual system of welfare assistance, had re-emerged by stealth prior to the 1980s as the social expenditure characteristics of the welfare state after 1935 were neglected by successive governments. That selectivism, though, continued to be complemented by the system of industrial conciliation and arbitration which ensured the income protection of wage earners. The erosion of that protection for workers that occurred through the Employment Contracts Act in 1991 and the more explicit emphasis, in both real and ideological terms, on targeted health and housing assistance, does point to the emergence of a distinctive liberal regime and new restrictions on housing and health policy. It is the labour market effects of this new environment that have been the subject of consideration in this thesis.

The study was concerned with the nexus between households and work and changes to that nexus caused by the transition to a liberal welfare regime. That said, the scope of the research was restricted by the selection of the household as the unit of study. The scale of the research did not permit obtaining data from employers in the labour demand context, and from other participants in the labour market relationship such as unions, and the result is, arguably, only one side of the picture. As stated, the work history method is more suited to answering questions about the influence of family structures as opposed to labour market structures. And while it does provide for an analysis of the "effects" of institutionalised labour market structures, it did not furnish details of the processes involved in change in the workplace. The analyses of trends in labour market segmentation and in worker security would have been more substantial had there been data on the processes at the site of employment by which workers were propelled

towards the periphery of the labour market. Qualitative aspects of employer/employee relationships and the transition from the benevolent to the competitive firm could be examined further from both the labour demand and labour supply perspectives.

A related question could maintain that the attempt to approach the macro-level notion of welfare and labour regimes by using micro-level data from the household level can only be expected to provide a superficial analysis of the selected themes. Admittedly, the broad-brush approach that has been adopted has prescribed that a lot of ground be covered on the basis of the work histories from a small sample. This is not to say that there is not merit in the conclusions reached from the insights gained by the qualitative analysis of household work histories. Rather, it points to the fact that the topic themes of chapters 6 to 10 could each be examined in greater depth, in both the labour supply and labour demand contexts, in future research.

For example, the trend towards welfare selectivism in the liberal regime could be examined in closer detail in terms of its effects on labour market mobility. There appears to be a contradiction between the liberal goal of labour market "flexibility" and the agenda to increase individual and family responsibility for welfare provision in areas such as tertiary education and retirement income. Further research might investigate the impact of increasing welfare selectivism on the potential of workers to move within the labour market. Furthermore, as it appears that occupational and private cover will play a greater role in health care and retirement income, further questions are raised around employer-based restrictions on worker mobility.

In addition, the work history data suggested the existence of a new pathway into the workforce for younger workers, where skills are to be acquired off-the-job and at the individual's expense. Similarly, there appears to be a new pathway into retirement for older male and female workers which involves movement through tenuous forms of employment in semi-skilled and casual labour markets. It would appear that the life course that was constructed through the wage earner model has been dismantled and reorganised around new definitions of functional potential in the market in the liberal regime (cf Myles 1990:291). The adequacy of these new pathways into paid employment

and retirement and their impact on the well-being of individuals and their households needs to be considered further. This is especially important given current concerns over the high levels of tertiary student debt and the effects of an aging population with high future superannuitant/paid worker ratios.

The findings from the household work histories are of course limited to the household type that was selected - the stereotypic nuclear family. These findings could be compared with those from other household types and income brackets to determine the extent and degree of uniformity of the impact upon labour market activity and experience arising from the transition to the liberal regime.

NEW HOUSEHOLD CHALLENGES AND POLICY IMPLICATIONS

The institutional perspective exposes new constraints and challenges that households are facing, not in terms of the individual characteristics of actors, but as an outcome of the broader structural and institutional environment. It leads to recognition of a complex set of influences and interactions that occur between the welfare state and the labour market. In so doing, it does not reduce activity in the labour market to the economically rational motivations of individual workers. The fundamentals of the orthodox view of the labour market as a closed and autonomous system are challenged and weight is lent to the contention that what occurs in the labour market is an outcome of a combination of state action and the logic of individual or institutional actors.

Recognising the role of state action and other institutional actors allows labour market outcomes to be seen as the consequences of politically derived institutional arrangements or ensembles of policies and practices. An acknowledgement of this does not necessarily result in the prescription of a highly residual social policy agenda, as does the reductionism of neoclassicism, but provides a framework within which social policy practitioners can make a contribution to the pursuit of equity and fairness, economy and efficiency through the development of new institutions for the delivery of welfare. It

gives license to the development of institutional arrangements for the achievement of socially desirable outcomes.

The underlying premise of this study has been that households engage in work in a way that is framed by social policy arrangements. The thesis provides a bridge between the macro-level accounts of recent change in those arrangements and the experience of work at the micro-level. The examination of how household labour market activity and experience has been altered by the transition to the liberal regime at the micro-level enhances our understanding of change in the work/welfare interface in New Zealand.

The work histories have emphasised that the transition to the liberal welfare regime has resulted in new constraints and challenges for households. New pressures on households to find income for their housing, health care and retirement, and an increasing propensity for workers to have to bear the costs of skill acquisition off-the-job, have increased wage dependency. Increasing wage dependence has entrenched the need for two incomes, especially for the purpose of house purchase. Women, therefore, remain in paid employment longer after household formation and return to paid work sooner after child-bearing. The work histories have shown that increased wage dependence has often resulted in an added-worker type of labour supply. This response to income necessity involves taking whatever work can be found and is likely to be poorly paid with poor conditions.

Nevertheless, claims about diminishing role delineation in households should be made cautiously. Despite the decline of the sole male breadwinner household and growth in non-gendered forms of welfare, there was an ongoing adherence to male breadwinner norms. Women were still most likely to be in part-time or casual work after childbirth, of a type that is an extension of domestic work. Males have experienced a declining opportunity for fulfilment of the breadwinner role, with declining real incomes and the higher incidence of unemployment, yet male breadwinner norms have remained influential, structuring the distribution of work inside and outside of the household.

The propensity for women to be located in peripheral labour market segments has been

exacerbated in the liberal regime. The work histories illustrated the role of redundancy, skill erosion caused by prolonged participation in part-time work, disruptions caused by re-locations for the employment of males, and reductions in hours of work to maintain the benefit eligibility of males. A deterioration in the labour market position of women often mirrored the position of their husbands. In the difficult employment environment of the 1980s and early-1990s women were more likely to be shunted further out towards the periphery of the labour market, despite a greater income contributory role in the type of household selected.

Nearing retirement age finding it increasingly difficult to maintain their labour market position, males displayed a sense of resignation to the inevitability of declining conditions. The very real threat of unemployment increasingly defined their employment relationship. Re-employment for older males following job loss and unemployment was most likely to be in semi-skilled or casual sectors of the labour market where they were forced to compete with minimally qualified labour until retirement. Opportunities for mobility out of such casual and semi-skilled segments were greatest for younger males. But, as primary earners with young families, they were unwilling to risk the household's source of income by "shopping around" for better jobs. The type of relationship fostered between workers and employers by the mechanisms of the wage earner regime, characterised by strong mutual commitment, had shifted towards a relationship with weaker forms of affiliation - employment on a "day labourer" basis.

What are the policy implications of findings - the new challenges for households - reported in this study? Priority should be given in government economic policy to the re-establishment of full employment. The restoration of full employment needs to include policies for skill-enhancing education and training programmes that are available to workers throughout their life-course. These training programmes should be developed in a way that ensures trainees find employment on completion, and cost should not be a barrier to entry. Women re-entering paid employment, and older workers, should have access to these programmes as a means of maintaining their skill-levels and avoiding involuntary deterioration in their labour market status.

The development of institutions which promote socially desirable outcomes extends to the pursuit of security enhancing labour relations. These include measures which enhance opportunities for collective bargaining and which minimise the excesses caused by worker isolation promoted under a system of individual employment contracts. Employment wages and conditions should be afforded greater protection to avoid increasing family dependence on precarious forms of work and the risk of creating a new class of "the working poor".

With households reliant on the receipt of two incomes, there is a need for the development of institutions which harmonise the demands of family life with having both parents in paid employment. Accessible child care services are central, but harmonising the demands of family life and paid employment extends also to providing sufficient maternity and parental leave, adequate leave arrangements for care of sick children and other family needs, and the promotion of shorter as opposed to longer working hours. It includes the provision of social services at a level that not only minimises cost barriers to the use of services, but which also reduces dependency on precarious forms of employment to maintain access to them.

While there have been powerful continuities in the history of the New Zealand welfare state that can be attributed to a certain institutional inertia, that history has been comparatively volatile. The periods reviewed in this thesis were the outcome of historically variable institutional responses to problems associated with living in a small dependent capitalist market economy. So while accepting that "broad and enduring patterns ... give an overall coherence to the thrust of public intervention in a given society" (Castles 1993:3), in the New Zealand case the impact of size, location and the constitutional set-up, amongst other things, have contributed to the political choices which have resulted in historically distinctive periods of public intervention.

Since 1984, the politics of domestic defence have been abandoned in favour of a liberal welfare regime. Contradictions between the rhetoric of freedom that accompany the liberal position and the declining level of real choice for workers, as indicated in these work histories, cannot remain unresolved. The work history data does point to the

remarkable resilience of families and their capacity to act as economic shock absorbers in processes of structural adjustment (cf Friedland and Robertson 1990:14-5). That capacity, however, must have limitations and there is already evidence of a legitimization crisis, manifest in the shift to a new electoral system. The longer-term policy outcomes of the new electoral environment remain to be seen, but there is the possibility that a more centrist policy agenda will be adopted and hence the liberal setting moderated by a more compensatory strategy. Given the institutional commitment to the open economy, such politics of domestic compensation appear to be increasingly necessary for alleviation of the adverse effects of living in a small market economy.

APPENDIX 1:

HOUSEHOLD CLASSIFICATORY

INTERVIEW SCHEDULE

Household Classification: Interview Schedule 1.

Interviewer's introductory comments.

Your household has been selected from a random sample of households in the Palmerston North area.

I am researching the issue of how people's working lives have changed over the past decade.

At the moment I am conducting a preliminary survey to find a small group of households to include in an in-depth study that I will soon be conducting.

Could you please complete these forms.

(If the respondents agree to be included in the in-depth interviews, and if their households are selected, they will be contacted by the researcher. There will be two interviews of around one hour in length.)

Household Interview Schedule 1.

This is a preliminary survey. Its purpose is to identify households for an in-depth study I will soon be conducting into recent changes that have occurred in people's working lives.

Could you please tick the appropriate boxes.

1) Who usually lives in your household?

- . couple with children
- . couple without children
- . single parent and children
- . extended family
- . two families or more
- . non-family
- . single person
- . other

1a) If a couple without children, do you have children living elsewhere?

- . Yes
- . No

2) Which age brackets do the main couple in your household fall into (tick two boxes if necessary):

- . under 35
- . 35 to 40
- . 40 to 45
- . 45 to 50
- . 51 to 55
- . 56 to 60
- . over 60.

3) How long has the main couple in this household been together?

_____ Years

4) Is the main earner(s) in your household currently:

- . self-employed
- . wage or salary earner
- . employer
- . retired
- . unemployed
- . not currently in the workforce

5) Which of the following groups do the parents/caregivers in your household identify as belonging to:

Male

- . Pakeha (European)
- . Maori
- . Pacific Island
- . Asian
- . Indian
- . Other

Female

- . Pakeha (European)
- . Maori
- . Pacific Island
- . Asian
- . Indian
- . Other

6) In which category is your total household income?

- . 0 to 25,000
- . 25,000 to 34,999
- . 35,000 to 44,999
- . over 45,000

7) Does your household have a Community Services Card for health care?

- . Yes
- . No

8) Would you and your partner be prepared to be interviewed in a more in-depth way where your employment activity and experience could be explored.

- . Yes
- . No

APPENDIX 2: INFORMATION SHEET AND CONSENT FORM

Changing Patterns in Social Policy and the Labour Market

Work History Study

Consent Form

I have read the Information Sheet for the Work History study and have had the details explained to me. My questions about the study have been answered to my satisfaction, and I understand that I may ask further questions at any time.

I also understand that I am free to withdraw from the study at any time, or to decline to answer any particular questions in the study. I agree to provide information to the researcher on the understanding that it is completely confidential. I agree that Patrick Barrett can use this information for his thesis and for the publication of any academic work.

Signed: _____

Name: _____

Date: _____

Changing Patterns in Social Policy and the Labour Market

Work History Study Information Sheet

Your household has been selected, from a preliminary survey in Palmerston North, to be included in doctoral thesis research into people's working lives. This research is being supervised by Professor Ian Shirley and Associate Professor Andrew Trlin of the Department of Social Policy and Social Work, Massey University.

The researcher is Patrick Barrett. He can be contacted at the Department of Social Policy and Social Work, Massey University, Private Bag 11.222, Palmerston North, Telephone 3569099 ext.4306 (work).

The research will involve tracing the work histories of the parents in the household and exploring several related themes. This will involve two taped interviews of approximately 60 minutes each **at a time that suits you**. If there are adult children still living in the household, brief details of their work histories will also be obtained.

If you take part in the study you have the right to refuse to answer any particular question, and to withdraw from the study at any particular time. You also have the right to ask any further questions about the study that occur to you during your participation.

You can be assured that your participation in this project will be completely confidential - nothing will identify you with the information given. Extreme care will be taken to ensure the information cannot be traced to you. Your address and names will be removed from that data once it has been collected. In the report that will be written from the research findings, care will be taken to ensure that your confidentiality will be maintained.

Those who do participate will be given a copy of their household's work history summary and a summary of the findings when the study is concluded.

If you do agree to participate in this research, your time and effort will be a valuable contribution to understanding life in the New Zealand workforce in the 1990s.

APPENDIX 3: LIFE AND WORK HISTORY SCHEDULES

Respondent's Names:

Occupations:

Address:

Telephone Number:

Date of interview:

Other Household Members: Sex: Relationship to Householders:

This interview will involve filling out several forms and a taped discussion of aspects of your work histories.

- 1) Self Completion of Life History Schedules.
- 2) Self Completion of Work History Schedules.

Briefly complete these and they will be discussed in depth later.

JOB AVAILABILITY AND QUALITY

For each job, how easy was it to get the job?

- . what was involved?
- . requirements, eg., qualifications, references, tests?
- . other applicants?

How easy was it to get a promotion?

- . what was involved?
- . other applicants?

Have you ever faced being made redundant?

- . why?
- . your response?
- . change jobs, retrain?
- . affect on attitude to your job or subsequent jobs?
- . more wary, choosy?

How did the general rise in unemployment affect you?

- . when did this happen?
- . attitude to job - staying longer, enduring unacceptable conditions?

How did the period of unemployment affect you?

- . effect on household?
- . benefit availability - abatement issues?
- . household response - extra work?
- . individual response - attitudes to jobs before and after?

You have described each of your jobs as having either a high or low risk of loss?

- . why did you rate them in that way?
- . how did that level of risk effect you?
- . sense of security/insecurity?
- . compensations for risk, eg., extra pay?
- . responses to increased insecurity/risk?
- . changing work hours, retraining, attitude change, resignation.

Did you ever apply for jobs or promotions that for some reason you didn't get?

- . when?
- . what jobs?
- . why did you apply?
- . why didn't you get it?
- . barriers, eg., age, qualifications,..?

Why do/did you work part-time?

- . advantages/disadvantages?
- . how important is the income?
- . preference of hours?

EMPLOYMENT SECURITY ISSUES

How did you find out about your conditions in each job?

(hours, wages, sick leave, holidays, pension schemes, redundancy protection, right to overtime)

- . have they changed over time? How?
- . have they become more flexible/rigid?
- . impact of shift from collective to individual contract?

Do you think you should have any input into your work conditions/arrangements?

- . how have you had that input?
- . into conditions and wages
(sick leave, holidays, penal rates, right to overtime ...)?
- . input of your union?
- . each job?
- . how active as a union member?
- . have you always been paid a fair wage?
- . preparedness to leave if conditions inadequate?

When you look at your work history, are there any differences in the effort required in your jobs?

- . more demanding today?
- . compensation for that?
- . what determines the effort required?
- . your input?
- . preparedness to leave?

Have you ever needed to go to someone over a problem you have had in a job?

- . problem?
- . who do you go to (friends, boss, workmates, union, Court)?

Have you ever needed protection from things like unfair dismissal, unreasonable working practices, discrimination?

- . what jobs?
- . problem?
- . awareness of protections?
- . current level of protection?
- . capacity for collective protection - changes over time?

EDUCATION AND QUALIFICATIONS

What part has your education and qualifications played in shaping your work history?

- . what part has on-the-job training played?
- . have you been able to continue training throughout your working life?

How relevant are your qualifications to your current job?

- . are you working in an area where they are irrelevant?
- . past jobs?
- . over-qualification for jobs?
- . need to retrain to maintain security?

CULTURAL FACTORS

What does your current job mean to you?

- . what drives you, other than money?
- . importance to you?
(purpose, fulfillment, confidence, social contact)

- . what did your earlier jobs mean to you?

Do each of you look for different things in your work?

- . male/female differences?

Why have you organised your working lives the way you have, in terms of who works and who runs the household?

- . whose main responsibility for caring for dependents? why?
- . availability of alternative child care issues?
- . care services for other dependents?
- . main responsibility for .cooking, cleaning, organising?
- . other household tasks?
- . household finances, bills?
- . why have you done it this way?
- . impact on paid working life?

What was important in deciding when to have your children?

- . was paid work an issue?

HOUSEHOLD INCOME FACTORS

Check total household income over time.

Has it been difficult at times to make ends meet (financially)?

- . when?
- . why was that?
 - (supporting children, students, unemployed, sick, elderly dependents)
- . how did you deal with that?
- . extra domestic work?
- . extra jobs, overtime, part-time?
- . was this fulfilling work?
- . satisfactory conditions and wages?

What about the other times?

- . why was it easier to make ends meet then?

Were your wages always fair/adequate?

How helpful has the occupational welfare been?

- . what would you have had to do without it?
- . worth the cost?

How are you preparing for retirement?

- . when will you retire?
- . why then?
- . how will superannuation changes affect you?
- . plans?
- . ability to plan?
- . will you need to earn more?

How did/will having children leaving high-school affect you?

- . tertiary education costs?
- . unemployment?
- . response to costs - extra work?

How do you meet your household's health care needs?

- . health insurance?
- . type?
- . when?
- . why?
- . impact?

How important was the family benefit to you?

- . help to household finances?
- . house buying and daily expenses?
- . what about family support?
- . did it affect your need for paid work?

Housing finance assistance?

- . details?
- . impact on income and work?

Name

Date of
Birth

Age										
Year	19	19	19	19	19	19	19	19	19	19
1. Where lived (Town / City)										
2. Your home Parents Rented Owned										
3. All qualifications										
4. Marriage (Status Change)										
5. Partner's activity										
6. Children Birthdate Left school Tertiary Ed. Work record (While Resident) Left Home										

Part B.	Name		
A. Work History			
Job number			
1. Job began Year / Month			
2. Job ended. Year / Month			
3. Name of employer			
4. Job title and brief discription of work done (also record time spent out of work force)			
5. Hours per week			
6. Pay (Estimate)			
7. Trade union membership Y /N			
8. Individual / Collective contract (I/C)			
9. Risk of job loss. High / Low			
10. Promotion prospects High / Low			
11. Reasons for leaving			
B. Work Based Welfare			
1. Pension scheme			
2. Sick pay			
3. Domestic leave			
4. Travel assistance			
5. Subsidised meals			
6. Financial assistance			
7. Housing assistance			
8. Health scheme			
9. Other			

APPENDIX 4: HOUSEHOLD WORK HISTORIES¹

THE OLDER COHORT

Jim and Ann Malone

Jim	Ann
	1947 Lived on family farm with father (a widower) and younger brother. Left school to run farmhouse and work on farm (aged 16).
1949 Lived in Shannon with parents (aged 14).	
1951 Found job as a telephone operator at Post Office. Began renting (16).	
1952 Left telephone exchange to work as a builder's hand (17).	
1953 Left builder's hand job for work as a maintenance worker at a large local factory (18).	1953 Began full-time job as shop assistant (22).
	1956 Left this job to marry first husband. House and farm work (24).
	1957 Child born (26).
	1958 Child born (27).
1965 Married Ann and moved into her home in Palmerston North. Found job as mechanic (30).	1965 Divorced first husband and married Jim (34).
1966 Child born (31).	1966 Child born (35).

¹ NB Names, places and occupational details have been altered.

1988 Began casual work between October and November as exam supervisor.

1991 Left job as a mechanic and sponsored by employer onto accident compensation (56).

Mike and Joy Cook

Mike

1949 Lived in London with parents. Began printing apprenticeship (aged 15).

1952 Completed apprenticeship (18).

1963 Married Joy (29).

1965 Travelled to New Zealand with assisted passage. Began job as a compositor for South Island newspaper (31).

1967 Seconded to a North Island centre to set up a polytechnic printing department (33).

1968 Returned to South Island to a job as printery factory manager (34).

1970 Child born.

1972 Left printery factory and travelled to Pacific Islands to work as a printery advisor (38).

1973 Child born.

1974 Contract ended and travelled to North Island centre for job as

Joy

1957 Lived in London with parents. Completed shorthand typist and book-keeping course (18).

1963 Married Mike.

1965 Travelled to New Zealand (26).

1966 Began clerical job in South Island centre (27).

1970 Left clerical job for birth of first child (31).

1972 Travelled to Pacific Islands with Mike (33).

1973 Child born (34).

1974 Travelled to North Island centre, purchased own home.

- newspaper planner and compositor.
Purchased own home (40).
- 1978 Sold home and moved to another North Island centre for position as printing overseer and trainer.
Also worked as social welfare family home parent (44).
- 1980 Left this job for work in the Pacific Islands as printing instructor (46).
- 1985 Returned to Palmerston North and found work as a photo lithographer (51).
- 1989 Made redundant.

Found another job as a compositor, trainer and photolithographer (55).
- Began part-time cleaning job (35).
- 1977 Passed University Entrance.
- 1978 Moved to another North Island centre and worked as a social welfare family home parent (39).
- 1980 Left family home work and travelled with Mike to work in Pacific Islands (41).
- 1982 Found part-time work as a librarian (43).
- 1985 Travelled to Palmerston North (46).

Found part-time job as librarian and teacher's aide; and a part-time job as an attendant care giver.
- 1993 Left part-time job as teacher aide and began job as a home help assessor and home helper.
- 1994 Left home help work for full-time clerical job.

Ken and Noeleen Fraser

Ken

- 1951 Began an after-school job at local dairy factory (aged 16).
- 1952 Left school and began an electrical apprenticeship at the dairy factory (17).
- 1956 Completed apprenticeship, left dairy factory and began working

Noeleen

- 1955 Lived with parents in North Island centre (17).
- 1956 Worked for 12 months as a shop assistant.

for small electrical business (21).

1960 Married Noeleen and began renting (25).

1961 Child born.

1963 Child born.

1964 Purchased own home (29).

1994 Still working same electrical business (59).

1957 Moved to Palmerston North to attend Teachers College (19).

1959 Returned to parents home town for probationary teaching year - attained Primary Teacher Certificate (21).

1960 Returned to Palmerston North and married Ken (22).

1961 Child born.

1963 Child born.

1964 Purchased house (26).

1974 Began casual day relief teaching in local schools (36).

1986 Left relief teaching when offered a job as tea attendant (48).

1988 Made redundant from job as tea attendant.

Began cash/hobby knitting work (50).

Geoff and Denise Wood

Geoff

1954 Lived in Scotland. Completed Certificate in Agriculture (18).

Later, worked as a farm manager.

Denise

1960 Lived with parents in North Island centre. Left school and attended hairdressing college (16).

1961 Completed hairdressing certificate.

1962 Left hairdressing for job as shop assistant in parents home town.

1964 Moved to another job as shop assistant in same town (20).

- 1965 Emigrated to Palmerston North, New Zealand. Began to work as a stock tester for an animal advisory agency (29).
- 1969 Married Denise (33).
- 1970 Child born. Purchased own home.
- 1972 Child born.
- 1974 Moved to stores and maintenance position in the animal advisory agency (38).
- 1981 Moved to position as a regional officer for the agency (45).
- 1988 Restructuring in agency results in movement to position as a regional technician supporter (52).
- 1990 Made redundant and re-employed on non-permanent contract (54).
- 1994 Hours cut back to zero in July - status unresolved at interviews.
- Left this for a three month job as a cafeteria hand.
- 1965 Moved to Palmerston North for work as a stock tester for animal advisory agency (21).
- 1969 Married Geoff (25).
Left work to have first child.
- 1970 Child born. Purchased own home.
- 1972 Child born.
- 1975 Began part time lab assistant work for animal advisory agency.
- 1979 Hours of work increased to full-time when youngest child entered school.
- 1991 Made redundant from animal advisory agency (47).
- 1994 Bought own small cake shop.

Nigel and Sue Wilson

Nigel

- 1953 Lived with parents in Hamilton. Left school to begin a cinema projectionist apprenticeship (aged 16).
- 1955 Shifted to another North Island

Sue

- 1953 Began hairdressing apprenticeship in Hamilton.
- 1954 Hairdressing business closed. Found work as a nurse aide in a private hospital.

- centre for work (18).
- 1956 Returned to work in Hamilton (19).
- 1959 Moved to another North Island centre for work (22).
- 1960 Married Sue and returned to a job as a typewriter mechanic in Hamilton (23).
- 1961 Purchased home in Hamilton.
Child born.
- 1965 Found a job with better prospects at Armoured Transport (28).
Child born.
- 1967 Child born.
- 1971 Workload at Armoured Transport became unreasonable. Moved to a less stressful job as a cashier for a farm trading enterprise (34).
- 1973 Began a more challenging job as a senior clerk for the health service (37).
- 1978 Sold house in Hamilton and moved to position as an assistant manager at a rural Waikato hospital. Rented hospital house (41).
- 1981 Moved to Wanganui for a position as a hospital manager. Rented hospital house (44).
- Boarded in Nursing Home (aged 14).
- 1958 University Entrance (night school).
- 1959 Moved to North Island centre to train as a nurse. Boarded in nursing home (19).
- 1960 Married Nigel and returned to Hamilton. Found job night-duty nursing (20).
- 1961 Left job to have first child.
- 1963 Found full-time job as office worker for eight months (23).
- 1965 Child born.
- 1967 Child born.
- 1968 Part-time night nursing at rest-home for 12 months (28).
- 1974 Began full-time job as shop assistant (34).
- 1975 Moved to another shop assistant job for a better employer (35).
- 1978 Travelled to rural Waikato hospital with Nigel and found nursing job (38).
- 1981 Travelled to Wanganui with Nigel and found nursing job (41).
- 1982 Found job as a matron of an old age rest home. Completed rest home nursing certificate (42).

- 1987 Purchased home in Wanganui (50).
- 1988 Made redundant (51).
Found part-time jobs as dispatch assistant and credit controller.
- 1989 Found full-time job as a revenue controller for Wellington health service (52).
- 1990 Sold house and rented at Upper Hutt - closer to Wellington (53).
- 1990 Travelled to Upper Hutt with Nigel and found another job as a matron of a rest home. Completed advanced rest home nursing certificate (50).
- 1992 Rented in Wellington to reduce stress of daily travel (55).
- 1992 Travelled with Nigel to Wellington and found job as a shop assistant (52).
- 1994 October - resigned from job for health related problems and shifted to Palmerston North (57).
- 1994 Travelled to Palmerston North in October. Found part-time work motel cleaning and providing child care (54).

Len and Shirley Bassett

- | Len | Shirley |
|--|---|
| 1953 Lived in Palmerston North with parents. Holiday job with agricultural promotion agency (aged 16). | |
| 1954 Taken on as full-time office junior and later secretary manager for agency (17). | |
| | 1960 Began training as a nurse in rural North Island centre where she lived |

- in nurses' home (aged 18).
- 1963 Completed registered nursing qualification. Moved to a job at another rural hospital to gain midwifery experience (21).
- 1964 Attended midwifery course in Auckland (22).
- 1965 Completed registered midwife qualification. Found job as midwife in Palmerston North (23).
- 1968 Moved to a job as a night duty nurse at local private hospital (26).
- 1969 Married Shirley and purchased house (32).
- 1969 Left night duty nursing, married Len, purchased own home, began new job at local public hospital (27).
- 1970 Left job when pregnant (28).
- 1971 Child born.
- 1971 Child born.
- 1972 Began part-time nursing.
- 1975 Child adopted.
- 1975 Child adopted.
- 1984 Was "asked to resign" from agency (47).
Found job three months later as part-time office manager for small business.
- 1985 Found full-time job as an auditor in the public sector (48).
- 1991 Discontinued casual district nursing after suffering personal health problems (47).

Dan and Margaret Young

Dan

- 1955 Lived in Dannevirke with parents.
Left school and began fitter and

Margaret

- 1957 Lived in Dannevirke with parents.

- welder apprenticeship (aged 15).
- 1959 Completed apprenticeship (19).
- 1962 Married Margaret (22).
- 1963 January - left engineering firm for a job as a garage attendant.
October - left garage attendant job for hardware and grocery delivery and later shop assistant (23).
- 1963 Bought own home in Dannevirke.
Child born.
- 1964 Bought grocery business - self employed (24).
- 1965 Child born.
- 1968 Child born.
- 1971 Child born.
- 1980 Sold grocery business and bought butcher shop in Palmerston North (40).
- 1988 Butcher shop liquidated. Found a job as assistant manager in meat processing plant in Wellington (48).
- 1989 Left meat processing plant to return to Palmerston North.
Found job as meat processor for local smallgoods manufacturer (49).
- 1991 Made redundant.
Began work as a "backyard butcher" (51).
- 1992 Butchering work ran out - made redundant.
Found temporary, part-time job as a gardening assistant.
Left this for commission agent job,
- 1958 Found job as office and shop assistant (aged 16).
- 1962 Married Dan (20).
- 1963 Bought own home with Dan (21).
Child born.
- 1964 Bought grocery business with Dan (22).
- 1965 Child born.
- 1968 Child born.
- 1971 Child born.
- 1980 Sold grocery business and bought butcher shop in Palmerston North (38).
- 1987 Began working for local department store as a relieving shop assistant when own business began to face problems (45).
- 1988 Butcher shop liquidated.
Found half-time job as a shop assistant for local store (46).
- 1989 Began work also as a make-up salesperson - casual/part-time.
- 1991 Moved to a full-time shop assistant position at store.

servicing multiple sclerosis charity
sweet dispensers (52).

1994 In addition to commission agent
work, began casual
engineering/welding work (54).

Richard and Barbara Price

Richard

1952 Lived with parents in Dannevirke.
Left school and began mechanic
apprenticeship (aged 16).

1956 Completed apprenticeship and
began truck driving job (20).

1958 Began job as a builder's hand (22).

1959 Began a job as a merchandise
salesman for a farmers trading
business (23).

1964 Moved to a similar position for a
competing business when not
promoted (28).

1965 Married Barbara and moved to job
for a farmers trading business in
Hamilton (29).

1966 Purchased own home in Hamilton.
Child born (30).

1968 Sold house and moved to
Palmerston North when promised
promotions did not eventuate. Out
of work for two months.

Found work as a warehouse

Barbara

1961 Attended Teacher Training College
(18).

1963 Returned to parents home town as
probationary assistant teacher (20).

1964 Found a permanent job as a teacher
in Dannevirke (21).

1965 Married Richard and moved with
him to Hamilton.

Listed as an available casual relief
teacher, but never employed (22).

1966 Purchased own home in Hamilton
and child born (23).

1968 Moved to Palmerston North, rented,
and child born (25).

manager (32).

Renting.

Child born.

1969 Found a sales job for hardware business (33).

1970 Purchased state house (34).

1972 Child born (36).

1978 Moved to a sales position for competing firm (42).

1981 Moved to sales position for a farm machinery business (45).

1986 Made redundant by farm machinery business.

Eight months unemployed.

Occasional "cash" jobs (50).

1987 Re-employed by same farm machinery business (51).

1993 Made redundant by farm machinery business again.

Five months unemployed (57).

1994 Found another job in farm merchandise sales (58).

1972 Child born (29).

1977 Began working as a casual relieving teacher at local primary school (34).

1980 Began casual part-time job as dispatch assistant for printery (37).

1990 Discontinued relief teacher work as it became too stressful (47).

1994 Continued to work as a casual part-time dispatch assistant (51).

THE YOUNGER COHORT

Alan and Janice Foster

Alan

- 1969 Left high school and began tree planting for local council (aged 15).
- 1971 Moved to Wanganui with parents and began carpentry apprenticeship (17).
- 1975 Completed apprenticeship and moved to Palmerston North with parents (21).
Began working on large construction site as a carpenter.
- 1975 Left for a new job with a competing carpentry business.
- 1978 Married Janice.
Made redundant when employer closed down. Immediately found work as a maintenance carpenter with deer farming venture (24).
Made redundant after six months when venture closed down.
Found three weeks temporary work as a carpenter.
- 1978 Began permanent job for local construction business.

Janice

- 1973 Lived with parents in Palmerston North. Began part-time job as a laboratory animal custodian - for six months (aged 17).
- 1974 Found full-time clerical job with local hospital (18).
- 1978 Married Alan.

- 1982 Bought own home with Janice (28).
Child born.
- 1982 Bought own home with Alan (25).
Left clerical job to have first child.
Began working three nights a week
as a Fish 'n Chip shop assistant
five weeks later.
- 1984 Made redundant when Fish 'n Chip
shop closed (28).
Began part-time night-cleaning job.
Began a relieving shop assistant job
for 15 hours per week at local
superette.
- 1985 Left night cleaning job nine months
after starting when pregnancy made
the heavy lifting work unsuitable.
- Second child born (29).
- 1988 Third child born (32).
- 1989 Left relieving shop assistant job
when employer increased the
required hours of work (33).
Began seasonal week-end work as
a Hot Dog stand attendant.
- 1992 Began part-time house cleaning
work.
Began part-time night shelf
stacking job with local
supermarket.
- 1994 Began part-time motel cleaning job.
Had four part-time jobs at time of
interviews.
- 1985 Child born (31).
- 1988 Risk of job loss increased with
employer. Found alternative job
with a competing carpentry
business (34).
Child born.

Dennis and Joanne Parker

Dennis

- 1972 Began tertiary education -holiday jobs while attending university (aged 19).
- 1976 Completed science degree (23).
- 1977 Attended Teachers College and completed Diploma in Teaching (24).
- 1978 Returned to Palmerston North and began teaching at local high school. Married Joanne (25).
- 1980 Left job as a teacher to attend theological course in Christchurch. Completed theology diploma (27).
- 1981 Returned to Palmerston North and found a job as a research technician.
Rented then purchased own home (28).
- 1982 Child born.
- 1983 Began new job as a research technician for alternative science institution (30).
- 1984 Child born.
- 1985 Left job as a research technician to begin a job as a secondary teacher at rural high school (32).
- 1988 Child born.
- 1989 Found alternative job as a high school teacher closer to home (36).

Joanne

- 1973 Attended Teachers College in Palmerston North (aged 18).
- 1975 Trained Teachers Certificate (20).
- 1976 Diploma in Education.
- 1977 Year one primary teaching in Pahiatua. Completed Diploma in Teaching (22).
- 1978 Married Dennis and returned to teach in temporary positions in Palmerston North schools (23).
- 1980 Moved to Christchurch for theology course.
- 1981 Returned to Palmerston North. Rented then purchased own home. Taught in temporary relieving positions (26).
- 1982 Discontinued teaching.
Child born.
- 1984 Child born (29).
- 1988 Child born (33).
- 1992 Returned for two months to paid

work in part-time teaching position (37).

- 1994 Worked as part-time teacher for local school (February to April).
Casual day relief teaching (May to August).
After August - full-time temporary relieving position (39).

Grant and Dianne Sykes

Grant

- 1978 Lived with parents in Porirua. Left school and found work as a roofing labourer (16).
- 1979 Paid below the award rate and left job for the unemployment benefit. While on the benefit, he spent six months chopping firewood for undeclared cash, and six months working in a forestry job scheme (17).
- 1980 After the job scheme, found work as a labourer for a demolition firm (18).
- 1982 Left demolition job with injury to hands. Received accident compensation payments for several months.
Found a roofing contract with opportunity for self employment. Contract arrangements not met and job terminated.
Went on the unemployment benefit. Found work as a labourer on large building site in Wellington (20).

Dianne

- 1981 Began job as office worker (aged 16).

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|------|--|------|--|
| 1983 | Began renting in Wellington (21). | 1983 | Began renting in Wellington. |
| 1984 | Building site work completed.
Found job as a courier/driver.
Married Dianne. | 1984 | Married Grant (22). |
| 1985 | Moved to Palmerston North.
Rented. Found job in plastics factory.
Left plastics factory for job as a tyre recapper.
Left tyre recapper for a job delivering and installing waterbeds.
Left job delivering waterbeds for a job as a lube bay attendant. | 1985 | Moved to Palmerston North.
Rented.

Found office job.

Began casual work for racing club. |
| 1986 | Purchased home in Palmerston North (24).
Found a job as a tyre fitter at the regional government's works depot.
This led to a job as a truck driver and later a job as a water treatment plant operator. | 1986 | Purchased own home (21). |
| 1990 | Completed qualification in water treatment.
Child born. | 1990 | Left full-time job when pregnant.
Child born. |
| 1993 | Child born (32). | 1993 | Child born. |
| | | 1994 | Casual stable hand work (29). |

Mark and Bernadette Mills

Mark

- 1975 Attended first year art course at polytechnic (17).
- 1976 Left course and found a job as a cartographer/illustrator (18).
- 1979 Made redundant and returned to parent's home in Palmerston North.

Bernadette

- 1979 Lived with parents in Palmerston North. Left school after finding job

- Found a job as a porter at local geriatric hospital (21).
- 1980 Left hospital after finding a temporary job as an illustrator (22).
- 1981 Found permanent job as an illustrator for a competing business. Fired and found a job as an illustrator at local educational institute.
- 1982 Left institute to travel to Australia. Away for a year.
- 1983 On returning to Palmerston North, found a job as a kitchen-hand (30 hours per week). Married Bernadette and bought own home (25).
- 1984 Left job as a kitchen-hand after finding full-time job as promotions manager for department store.
- 1985 Fired from department store and found job as a screen printer and later as a display manager for competing department store (27). Also worked for six months as a dishwasher at local restaurant in 1985 (15 hours per week).
- 1986 Child born.
- 1987 Child born.
- 1990 Child born. Department store closed down, made redundant. Unemployed. Under the table work before later becoming officially self-employed
- as a hospital aide at geriatric hospital (17).
- 1982 Left geriatric hospital and began training as an enrolled nurse at the public hospital (20).
- 1983 Completed enrolled nurse training, married Mark and bought own house. Began nursing at geriatric hospital.
- 1984 Worked in both geriatric and public hospitals (22).
- 1985 Left job in 1985 when pregnant.
- 1986 Child born. Returned to part-time work at the public hospital.
- 1987 Left part-time job when pregnant in mid-1987. Child born (25).
- 1988 Returned to casual nursing for public hospital in late 1988.
- 1990 Child born. Returned to part-time hours later in the year as a community nurse.

as a designer (32).

1992 Found a job as the exhibition designer for local art and design gallery (34).

1993 Cut back on hours of work and began comprehensive nursing course (31).

James and Sarah Adams

James

1972 Lived with parents in Palmerston North.

Found a job as a grocery storeman (aged 19).

1975 Moved to Wanganui. Found a job as a shed hand, and later as an office worker for a timber yard (22).

1976 Left Wanganui to return to Palmerston North. Found a job as a shed-hand for a timber yard.

1977 Left timber yard after a sporting accident. Found a job as a stores supervisor (24).

1978 Left this for a job as storeman/manager at a local department store.

Began living with Sarah.

1979 Left the department store. Six months without a job - supported by Sarah (26).

Began lawn mowing and car washing for local undertaker. This led to a position as an embalmer.

1984 Married Sarah and purchased own home (31).

1985 Child born.

Sarah

1975 Lived with parents, and began after school work at local department store (aged 14).

1976 Began full-time work as a grocery assistant at the store.

1978 Began living with James (17).

1982 Became assistant manager at the department store.

1984 Married James and purchased own home (23).

1985 Made redundant, and left work to

	Embalming Certificate.		have first child.
1987	Child born.	1987	Child born (26).
1990	Funeral Director's qualification (37).	1990	Part-time work as a home-care aide for elderly (28).

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