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EMPLOYMENT RELATIONS IN A CHANGING WORLD:

**a comparison of outcomes for New Zealand workers
under neoliberalist and third way regimes**

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ABSTRACT

This research is an examination of the effect of recent world changes on political-economic strategies in industrialised countries, and the subsequent developments in employment relations. The three major strategies included are neoliberalism, the third way, and social partnership. The trends covered under employment relations focus on decentralisation, labour market flexibility, workforce skill and education, and union decline. Overall the thesis is aimed at describing and analysing the changes to employment relations under these three strategies, then at assessing and comparing the related outcomes for workers in New Zealand under the neoliberalist and third way approaches.

A qualitative approach was used in the thesis through informal conversations with key New Zealanders to determine worker goals. Supporting this was a literature search on worker goals worldwide which relied on comparative policy research methods. Both aspects then provided the basis for selection of the relevant measures of outcomes for local workers. A quantitative approach was necessary in gathering and analysing the data required to actually measure outcomes for workers under the neoliberalist and third way strategies. This enabled assessment and analysis of the results of the policy-making linked to these political-economic strategies in this country. A comparison of the outcomes for New Zealand workers under neoliberalism and the third way was then feasible, providing some indication as to which approach has been most beneficial for workers in this country.

The main findings of the study focus on the outcomes for workers in New Zealand, which are seen as resulting largely from neoliberalist and third way policy-making (or the lack of same), and the related trends in employment relations. The more negative trends in line with international patterns in employment relations occurred under neoliberalism, while the more positive trend of workforce skill and development was more prevalent under the third way. In terms of actual results, the third way in comparison to neoliberalism has not delivered significantly better outcomes to New Zealanders. While the neoliberalist regime certainly instigated the changes that caused such dramatic declines for workers during the 1990s, most of the recent improvements under the third way seem to be a diluted continuation of earlier positive trends, although this is also the case where negative trends have persisted. Generally the third way approach has acted to halt earlier declines rather than reversing negative outcomes in any substantial way. Where the neoliberalist approach was fairly indiscriminate in disadvantaging workers, the third way appears to have mostly been of benefit to the average working New Zealander, rather than assisting the more marginalised groups.

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