

Book Review

Erling Rasmussen. (2010). *Employment Relationships: Workers, Unions and Employers in New Zealand*. Auckland: Auckland University Press.

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This new assessment of the Employment Relations Act 2000 (ERA) makes a valuable contribution to the literature on New Zealand employment relations. It is a follow-up to a similarly edited book in 2004 (Rasmussen, 2004). Coming on the back of his recently updated textbook *Employment Relations in New Zealand* (2009) by Pearson, the new edited book – ‘Employment Relationships’ – establishes Rasmussen as one of the principle contributors to this academic field in New Zealand.

‘Employment Relations’ makes a timely and significant contribution to the field during a period of unusual legislative stability. As the Introduction states,

It is also the first time in nearly three decades that radical, sweeping employment relations reforms are not high on the political agenda or being touted as a ‘solution’ to wider economic and social problems (p. 1).

The recent 2011 General Election proves a case in point, with employment legislation and employment relations hardly featuring in public debates around the policies of various parties, particularly surprising given the global economic crisis. It was a mainstay of political discussion throughout the 1980s and 1990s, with constant questions over the direction and shape of the employment relations system, but it now seems to have lost its traditional place at the forefront of public and political thought. The question remains, though, whether this will last.

While there appears to be more legislative stability, several chapters point to underlying labour market changes as well as several important industrial disputes. The current situation of two major disputes – Port of Auckland and their waterside employees, and the meatworkers and ANZCO – as well as the employment impact of the Hobbit dispute indicate that employment relations is, as always, a very contested terrain. Several chapters also advocate that it is necessary, with further changes, to fulfill the ERA’s explicit support of collective action (see the chapters by Wilson, Harre, and Kelly). These proposed changes cut across the current direction of the National-led Government and the changes sought by the employer associations. Furthermore, ‘Employment Relations’ also alludes to two other important questions: what has this period of unusual stability brought us, and just what do the major actors within the New Zealand system think of it?

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'Employment Relations' attempts to answer these and other questions, and does so through the inclusion of the ideas and analyses of all the major actors in the employment relations system. While the views of academics feature predominantly, this is not unexpected in what is mainly an academically orientated text. However, the inclusion of contributors from Business New Zealand, the New Zealand Council of Trade Unions (NZCTU), the legal profession and former Cabinet Ministers provides a well balanced discussion. Perhaps the only problem is the absence of a voice representing non-union workers (some 80% of the total workforce). However, given the difficulties in finding a suitable contributor the opinions expressed by the NZCTU and academics are more than sufficient.

While predominantly focussed on recent historical events, 'Employment Relations' assumes that the reader is more than familiar with the unique history and development of New Zealand's employment relations system. Consequently, the text does lean more toward the educated reader, but still succeeds in offering the uninitiated a valuable and easily understood insight into issues at the heart of employment relations in this country. More importantly, the inclusion of varied contributors does provide a strong degree of forward thinking. In particular, the clear divergence between the views of unions and employers shows that the system's current stability may not be a sure thing.

The ERA is an enigma, as Rasmussen states (p. 1), since this can be pointed both to the impact and the lack of impact that this legislation has had over the last ten years; although this clearly depends entirely on whose perspective you take. The stability the ERA has provided is unusual as far as the last 30 years are concerned, but not if one examines the entire history of employment relations in this country. We did have, under the Arbitration System, a period of relative stability that lasted nearly a century from 1894 to the late 1980s and 1991 with the passage of the Employment Contracts Act (ECA). However, it has been the habit of many, even academics, to perhaps overstate the stable nature of the arbitration period. That system came under constant attack from all sides and had to weather a number of strong challenges in its role and place in this country. 'Employment Relations' suggests that, while the basic structure of the ERA remains unchallenged, the various pieces of supporting legislation and the workings of the system itself are under constant challenge, just like the Arbitration System. The contributors make some significant points in relation to these challenges and the possible direction the ERA may take.

The structure and operation of key employment institutions such as the Mediation Service, the ability of the ERA to improve New Zealand's poor productivity performance, and the ability to help foster a high-wage high-skill economy are all debated within the text. There is also an interesting discussion of the break-through of employee representation in the amendments to the health and safety legislation which may align participative and productive aspirations in employment relations in the future. In this manner, 'Employment Relations' provides some rather surprising information and research angles, particularly in relation to employers' perspectives and attitudes. These perspectives and attitudes remain an underexplored element within the New Zealand academic literature, and it is perhaps here that the text makes its most important contribution.

As a current PhD student, I feel that it is the diversity of opinions, and the surprising frankness of the discussions that make it such a valuable source of information. This is particularly the case in relation to employers, and their role in employment relations which form the core focus of my PhD. That employers vociferously opposed the introduction of the ERA is well known, though 'Employment Relations' hints that there are somewhat contradictory public policy positions. It is most surprising that there is an undercurrent of tacit support for the basic system 10 years on. However, employers still see significant problems with the current framework, not least with increasing transaction and compliance costs associated with changes to the statutory minimum code and other regulatory frameworks. It is also telling, and highly relevant, that several chapters link the stability of the ERA to the relative economic prosperity of the Labour-led Governments. This, again, suggests that the global economic crisis and New Zealand's own economic problems since 2008 may precipitate the need for future, possibly radical, changes to the ERA – although the general theme of the contributions is that continued stability and gradual change is more likely.

The text also focuses on the traditional elements found with the New Zealand literature: unions and collective bargaining. Given that the ERA has failed to achieve its objective of promoting collective bargaining, this is not surprising. Consequently, the analysis of why this is the case and of the impact of this on the wider success or failure of the Act's other objectives remain central to the text, and rightly so. However, these are balanced by the discussion of other, perhaps more relevant, issues such as productivity, worker participation and training and skills.

Overall, 'Employment Relations' is an important text within the New Zealand literature on employment relations, and provides students, researchers and practitioners with a solid foundation for exploring the topic in more detail. This book can be highly recommended to anybody who is interested in furthering their understanding of the current, and future, shape of employment relations in New Zealand.

References

Rasmussen, E. (2009). *Employment Relations in New Zealand*. Auckland: Pearson.

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