NEW ZEALAND COUNCIL OF TRADE UNIONS
Te Kauae Kaimahi

CTU Monthly Economic Bulletin

No. 148 (July 2013)

Commentary

The wages gap with Australia – a new look

Summary

The wage gap has been in the news again, with talk of banks and other Australian businesses moving call centres from Australia to New Zealand, and IBM cutting staff in Australia and considering moving some of its jobs here.

A broader "wage" which includes employer superannuation contributions and other benefits and which is directly comparable between the two countries was A$39.01 per hour for Australia in the year to March 2012 and $28.61 in New Zealand. In purchasing power that represents a gap of 34 percent for workers and 35 percent for employers selling their products where the workers produce them. But if the employer pays for wages in New Zealand but sells the product in Australia (as with call centres) the wage gap is driven by the exchange rate and is currently a remarkable 74 percent.

In purchasing power, the gap fell during the late 1980s but rose almost continuously during the 1990s until 2005 when it began a fall lasting until 2010. Since then has started to rise again. In terms of the exchange rate the gap has been fluctuating on a rising trend over the period, and has been increasing since 2005.

The exchange rate aside, it is interesting that the biggest reduction in the gap in recent years occurred around 2004-05 at a time of changes in the Employment Relations Act to strengthen collective bargaining, pressure building towards the "5% in 05" wage campaign, and union campaigns for pay parity in health and education. The ERA changes are ones the Government is now proposing to reverse.

A comparison of minimum wages in the two countries shows the Australian minimum wage consistently 50 percent ahead in purchasing power until 2002 when the gap began to narrow sharply as a result of the significant increases in New Zealand. The gap bottomed out in 2010 at 9 percent but has risen to 13 percent since then.

The Government says it is an advantage to have a yawning wage gap to attract jobs from across the Tasman, but the long period for which there has been a sizeable and growing gap, and the move of many businesses in the other direction attracted by the larger population in Australia (including when the wage gap was increasing during the 1990s) indicate that it is no answer to New Zealand's problems. Australian workers will be concerned at the downward pressure it will bring on their wages. It is race-to-the-bottom policy.

The wage gap has been in the news again, with talk of banks and other Australian businesses moving call centres from Australia to New Zealand, and IBM cutting staff in Australia and considering moving some of its jobs to New Zealand. One Australian business commentator said it was because of New Zealand's "cheaper real estate, lower mandatory superannuation and labour rates". The Government is talking up the low wages as an advantage for attracting investment and jobs – hardly a "brighter future" for New Zealand workers, and not what most people would have come to people's minds of when it promised to close the pay gap in the 2008 election. It's a strategy with a 1990s ancestry clearly etched in its features. Then, it led to painfully slow wage growth: the average hourly wage rose only 4.3 percent after taking account of price rises during the whole period of the Employment Contracts Act from 1991 to 2000. Wages fell well behind productivity growth, and employers did not bother to invest in improving productivity because they knew they could rely on low labour costs. See Part I of our submission on the Employment Relations Amendment Bill if you want the gory details.

I had a look at the wage comparison with Australia two years ago (June 2011, Economic Bulletin 125). It's not straightforward to compare wages between countries. Even the average wage which is a fairly common measure internationally is reported differently in the two countries. Last time I tried to correct for those differences, but now I have a new measure which is wider and more directly comparable.

Compensation of Employees

The new "wage" measure is based on what is called "Compensation of Employees" in the National Accounts of the country. The most familiar part of the National Accounts is probably Gross Domestic Product (GDP), and these accounts are calculated and developed in our case by Statistics New Zealand. Compensation of Employees (COE) is part of the "income" view that can be taken of GDP. GDP measures production in the economy, but someone has to buy those products that are produced and someone gets the income from those purchases. So there are three ways of looking at GDP: production, expenditure and income.

The income generated by the country's production is divided into two pieces:

- Compensation of Employees: what employees receive for their labour
- Operating Surplus: the income that owners of capital receive in dividends, interest payments, royalties on patents, drawings from businesses they run, and so on.

Compensation of Employees is particularly useful for this comparison because it is defined in a standard way for both countries (and to a large extent internationally), it is income to employees only, it covers the whole economy (the average wage doesn't include agriculture and probably many casual workers for example) and it includes more than just wages. All payments made by employers to the benefit of their employees are included so it also includes superannuation contributions made by the employer (compulsory and much bigger in Australia), workers compensation levies, private health insurance and so on. If we divide it by the number of hours employees work in a year, it gives us a much broader and standardised view of the "wage" that employees earn. I'll call it the "**COE Wage**" in this commentary.

Unpaid work

Calculating the hours worked in the economy is not straightforward. The Australians have series for actual hours worked by employees, and I obtained the same for the whole economy from Statistics New Zealand. However series of "hours paid" for most industries are also available from work on productivity. Stitching those together gave an interesting result:

In the year to March 2011, 9 percent of hours worked were unpaid – almost 140 hours a year per employee. This proportion has grown steadily since the 1990s.

One disadvantage of the COE Wage is that the statistics are not published as early and often as the ones you usually see quoted. The latest available for the whole economy is for the year to March 2012. Since it is essentially an average over the year, it is probably best to think of it being more like a measurement taken half way through the March year – say in the previous September.

So what does the comparison look like?

In the year to March 2012, the COE Wage for Australia was A$39.01 and for New Zealand $28.61. There are a number of ways of looking at that gap.

From a worker's point of view, the crucial issue is how much you can buy with it. Using OECD calculations of "purchasing power parity" for individual consumers, that A$39.01 was worth NZ$38.28 (an Australian dollar buys a little less in Australia than a New Zealand buys in New Zealand). So that makes the gap 34 percent: Australians on average get 34 percent more in purchasing power per hour worked than New Zealanders.

From an employer's point of view, the crucial issue is how much revenue it gets from employing the worker for a given length of time. Revenue is obviously different for different firms and products but an indication of the "average" is the GDP "purchasing power parity" also provided by the OECD. This turns out to be not very different from the one for workers and the Australian COE Wage converts to a wage of NZ$38.69 on average from an employer's viewpoint – a 35 percent gap. In practical terms (and given inaccuracies in all these measurements) the gap is the same as from a worker's viewpoint.

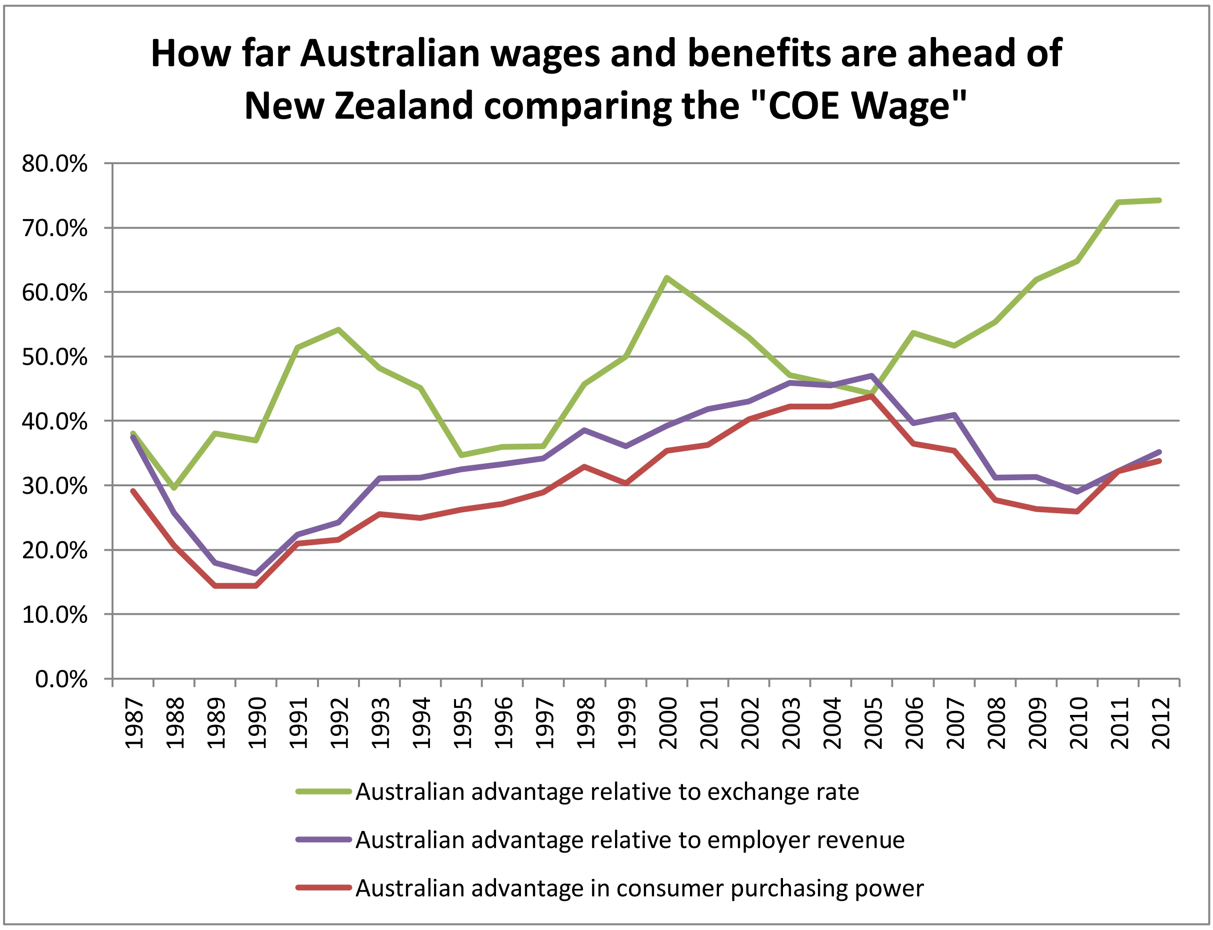
However that calculation assumes that the employer's revenue is earned in the same economy that the COE Wage is paid. If say the employer is selling banking or computer services in Australia and employing New Zealand workers to do it, the price it would get for those services in New Zealand is irrelevant. What matters in those circumstances is how much each dollar of the New Zealand wage costs the firm in Australian dollars – which is just the usual exchange rate. Using an average exchange rate for the year, the Australian COE Wage is a remarkable NZ$49.85, or 74 percent higher than the New Zealand COE Wage. That makes New Zealand's low wages a very attractive proposition for cross-Tasman employers. Of course there are other costs to be taken into account too, but particularly in operations like call centres where wages are a big part of the cost, the logic is compelling.

How has the gap changed over the years?

The graph on the next page shows the three different ways of looking at the COE Wage.

In purchasing power, from either a worker's or domestic employer's viewpoint, the gap fell during the late 1980s but rose almost continuously during the 1990s until 2005 when it began a fall lasting until 2010. Since then it has started to rise again. In terms of the exchange rate – for an employer selling its production in Australia – the Australian advantage has been heavily driven by the changes in the exchange rate but has been on a rising trend over the period, and has been increasing since 2005.

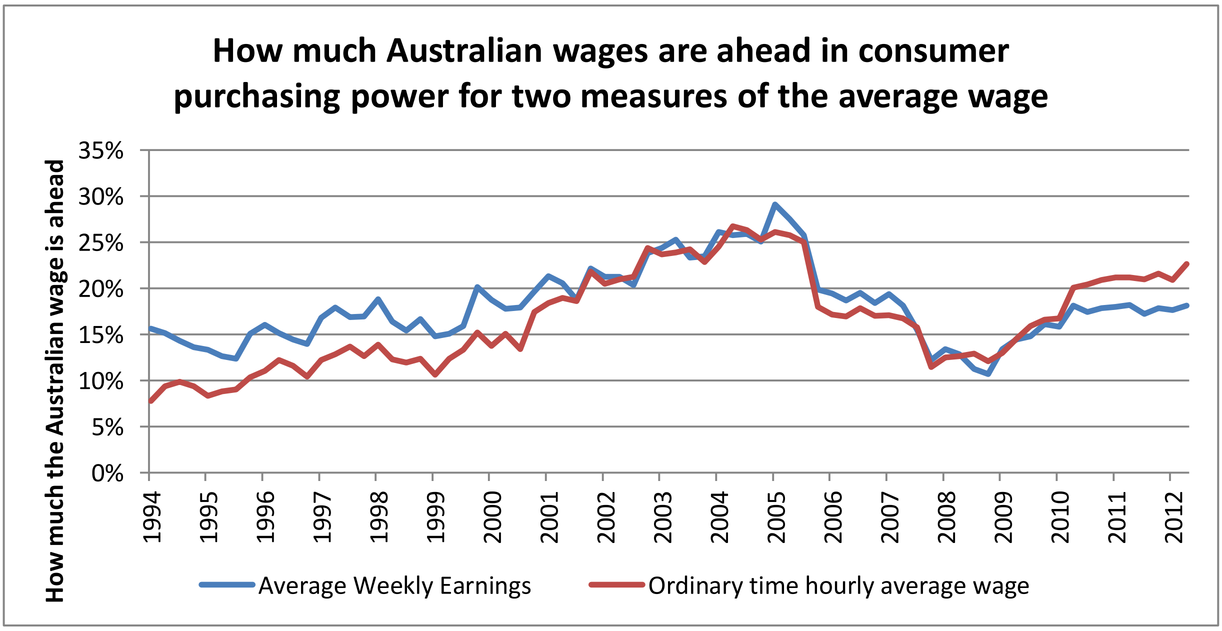
The exchange rate aside, it is interesting that the biggest reduction in the gap in recent years occurred around 2005 (remember this is for the year ended March 2005 so is mainly about 2004) at a time of changes in the Employment Relations Act to strengthen collective bargaining, pressure building towards the "5% in 05" wage campaign, and union pushes for pay parity in health and education. The ERA changes are ones the Government is now proposing to reverse.



I have been investigating COE Wages by industry, which would not only show industry wage comparisons across the Tasman, but give some more insight into whether the wage gap is the result of industry differences or other causes such as the wage setting system. However I was not able to complete this in time for this Bulletin.

Average wage comparison

We can also look at an update of the average wage comparison. This has the advantage of more recent

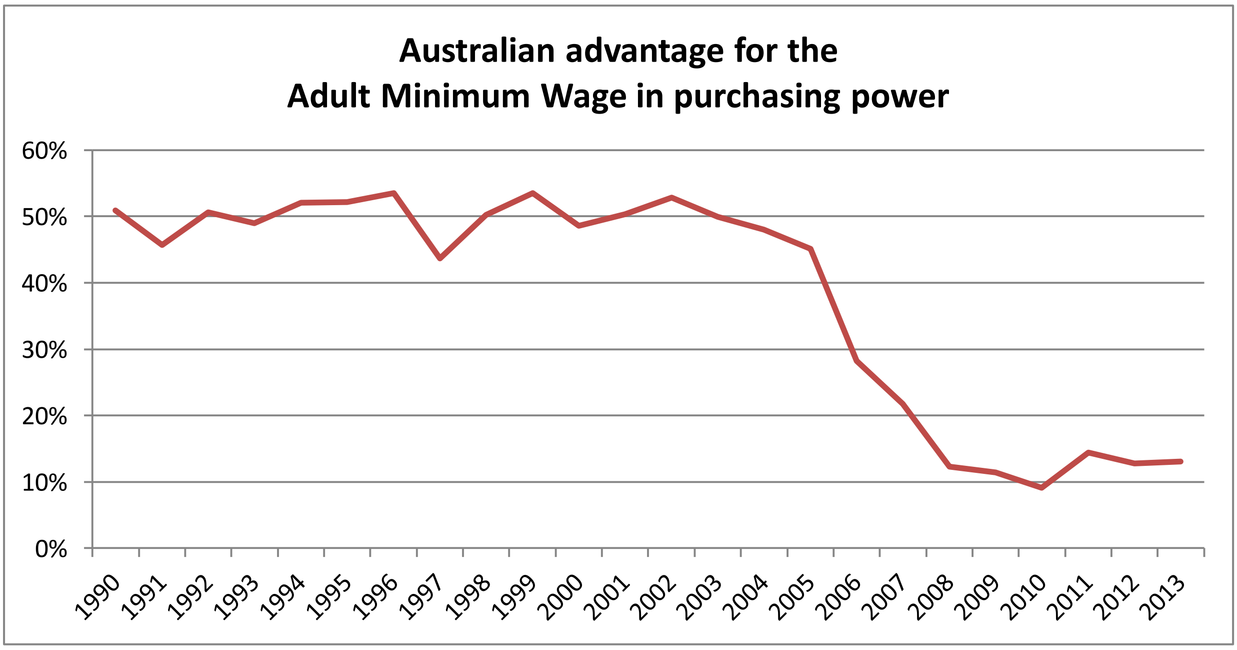


data. As in 2011, I've used two wage measures (technical details at the end of the commentary) and both give a similar pattern to the COE Wage, but not surprisingly show a smaller gap: only 18% (weekly wage) or 23% (hourly wage) at the end of 2012, the last Australian data available. If a further 9 percent from Australia's compulsory superannuation employer contributions are added, the difference between the average wage gap and COE wage gap narrows considerably. This more recent data suggests the gap between hourly wages grew more slowly for a period and for weekly earnings the gap flattened for a while reflecting both wage levels and hours worked.

The minimum wage

The relationship between minimum wages in the two countries gives some indication of wages available to those on low incomes, though in Australia the wages system is much richer in measures to maintain a rising floor under wages. Its award system directly affects 16 percent of employees and another 42 percent have pay set by collective employment agreements, totalling 58 percent having pay set by some form of collective process (at May 2012). Many more are affected by these wage setting processes indirectly (up to 80 percent of employees according to one study).

The graph below shows the gap in minimum wage purchasing power. Australia's minimum wage was consistently 50 percent ahead in purchasing power until 2002 when the gap began to narrow sharply as a result of the significant increases in New Zealand. The gap bottomed out in 2010 at 9 percent but has risen to 13 percent since then.



In conclusion

For workers in general, the wage gap is 34 percent and growing. For employers seeking to use labour in New Zealand to produce products for sale in Australia, the gap is as much as 74 percent, driven mainly by the exchange rate. While the wages gap for the minimum wage is only around 13 percent that is a result of New Zealand government action during the 2000s. It has been much higher.

The Government says it is an advantage to have a yawning wage gap to attract jobs from across the Tasman, but the long period for which there has been a sizeable and growing gap, and the move of many businesses in the other direction attracted by Australia's larger population (including when the wage gap was increasing during the 1990s) indicate that it is no answer to New Zealand's problems. Australian workers will be concerned at the downward pressure it will bring on their wages. It is race-to-the-bottom policy.

Technical note

As mentioned above, the COE Wage is calculated by dividing the Compensation of Employees aggregate for the whole economy by number of hours worked by employees. Number of hours paid would more closely reflect costs to employers, but hours worked more closely reflects what the employer actually receives for its money. Only the latter is available. Unlike the Australian Bureau of Statistics, its counterpart Statistics New Zealand does not publish hours worked for employees only (the national series was obtained by special request), nor at an industry level. In New Zealand, hours paid series were made available to me for most industries.

The Australian Bureau of Statistics does not publish an average hourly wage. It does publish an average ordinary time weekly wage for adult full time employees (including employees under 21 on an adult wage). On average, full time workers in Australia work approximately 38 hours a week according to the Australian Employee Earnings and Hours Survey. I have calculated the average hourly ordinary time wage from this. Since it is for adult full-time employees only, I have added a factor of 7.5 percent to the New Zealand ordinary time average hourly wage to reflect the fact that it includes part timers (the approximate margin shown for median hourly wages in the New Zealand Income Survey). However it also includes younger workers, and this may have dragged it down, particularly when youth rates were prevalent. It is not easy to estimate the effect of this. Both ABS and Statistics New Zealand also publish an average weekly wage covering all employees and all earnings including overtime. While this is problematic – there may be differences between countries in the proportion of overtime and the number of hours worked in a week – it is at least defined the same way in both countries. The fact that both measures give similar Australia-New Zealand comparisons suggests that these problems are not too great, as long as the results are taken as approximate.

Bill Rosenberg

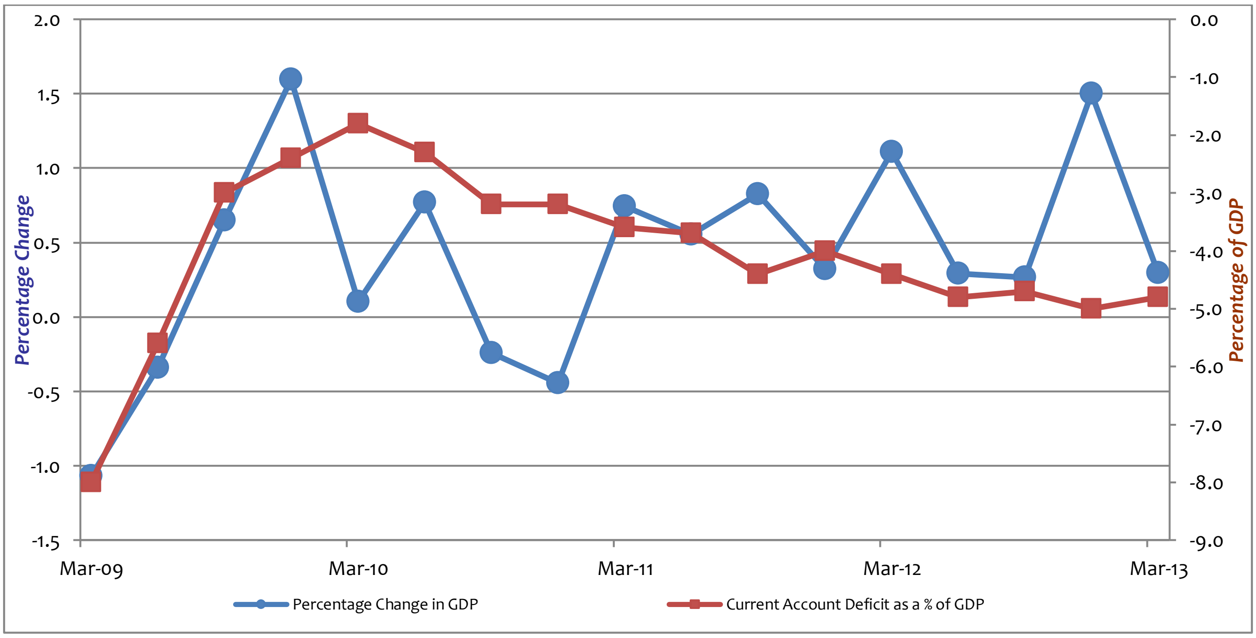
Forecast

- This [NZIER forecast]() was released on 17 June 2013.

Annual Percentage Change (March Year)	**2013-14**	**2014-15**	**2015-16**
GDP	2.7	3.1	2.3
CPI	1.6	2.1	2.3
Private Sector Wages	2.7	3.1	3.3
Employment	1.8	2.0	1.1
Unemployment rate	6.0	5.5	5.3

A ★ indicates information that has been updated since the last bulletin.

Economy



- New Zealand's economy grew more slowly than forecast in the March 2013 quarter, with [Gross Domestic Product]()growth returning to the same level (0.3 percent) as the September 2012 quarter after a December quarter of exceptional growth (1.5 percent). Growth for the year ended March 2013 was 2.5 percent. The largest quarterly rises by industry were in Construction (5.5 percent), Professional, scientific, technical, administration, and support (3.9 percent) and Mining (4.2 percent). However, Agriculture, forestry and fishing fell 4.8 percent, Electricity, gas, water, and waste services fell 4.4 percent, and Information media and telecommunications fell 3.1 percent. Manufacturing grew 0.2 percent in the quarter, but excluding Food, Beverage and tobacco it fell by about 1 percent. The result was that Primary Industries fell 3.0 percent, Goods producing industries rose 1.0 percent and Service industries rose 0.5 percent. Over the year though, Agriculture, forestry and fishing rose 6.5 percent, Mining 4.5 percent, Construction 10.8 percent, Retail trade and accommodation 3.1 percent, Professional, scientific, technical, administration, and support 3.4 percent, and Health care and social assistance 3.6 percent. The only falls over the year were Electricity, gas, water, and waste services (3.4 percent), Information media and telecommunications (1.1 percent) and Arts, recreation, and other services (1.1 percent). Over the year, Manufacturing rose 1.5 percent, again boosted by the Food sector though with strong growth also in Textiles, leather, clothing, and footwear (rising 10.6 percent), and Non-metallic mineral product manufacturing (up 8.5 percent). Printing fell 10.4 percent over the year. Household consumption expenditure rose a 0.4 percent in the quarter and 2.4 percent in the year. Expenditure on non-durable goods (such as groceries) rose more strongly at 1.0 percent for the quarter, and durables 0.4 percent, the reverse of the position for the year where non-durables rose 0.9 percent while durables rose 4.0 percent. Business investment fell 2.2 percent in the quarter and 1.2 percent for the year.

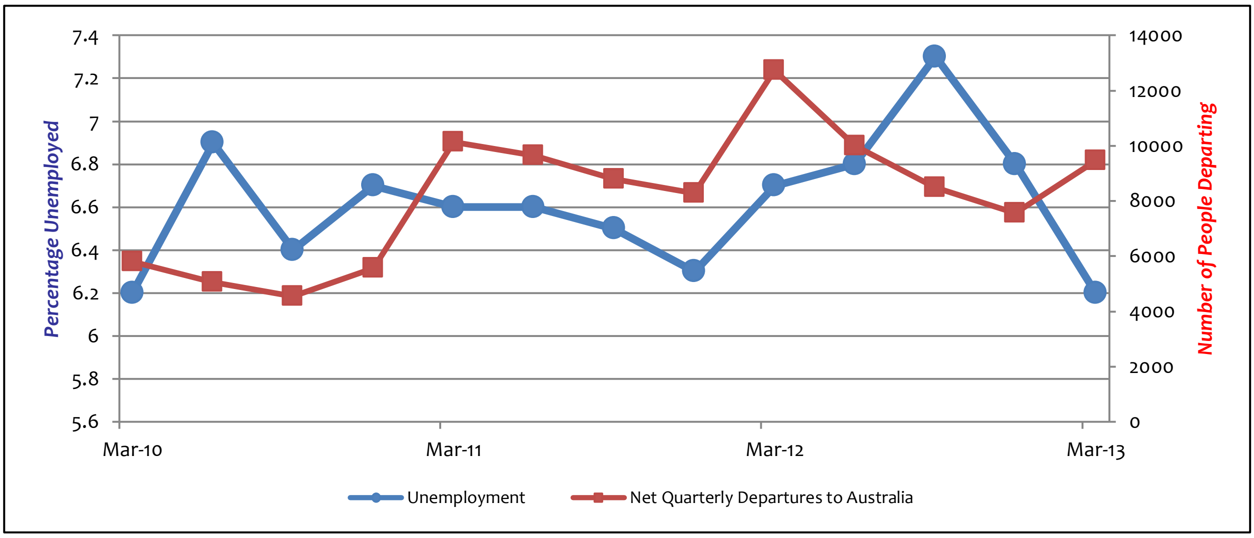
- New Zealand recorded a Current Account deficit of $2.2 billion for the March 2013 quarter in seasonally adjusted terms, $0.3 billion less than the December 2012 quarter. The reduction was driven by increased exports of goods and services due mainly to higher dairy exports and rising overseas visitors' expenditure. Income going to foreign investors was similar to the previous quarter. However in actual dollars (not seasonally adjusted), the deficit is only $0.7 billion, with surpluses in both goods and services trade but a $2.6 billion deficit on investment income. For the year to March 2013 the deficit was $10.1 billion, virtually equal to the negative balance on investment income of $10.2 billion. This deficit is 4.8 percent of GDP, down from the 5.0 percent in the year to December 2012.

- The country's Net International Liabilities were $146.7 billion at the end of March 2013 (69.3 percent of GDP) down from $150.0 billion (71.4 percent GDP) at the end of December 2012 due to rising overseas share prices, but up as a proportion of GDP from the $145.0 billion (70.4 percent GDP) in March 2012. Of this, $12.0 billion was owed by the government (equivalent to 5.7 percent of GDP) and $98.1 billion by the banks (46.4 percent of GDP). Total insurance claims owed by overseas reinsurers from all Canterbury earthquakes have been re-estimated at $18.6 billion (up from $17.9 billion estimated in December), and at 31 March 2013, $9.2 billion of these claims had been settled, leaving $9.5 billion outstanding. Without these, net international liabilities would have been $156.1 billion or 73.8 percent of GDP. New Zealand's gross international liabilities were $324.0 billion in March, against $177.3 billion in overseas assets.

- ★ For the month of June 2013, Overseas Merchandise Trade recorded a seasonally adjusted $163 million surplus, following a revised $328 million deficit in May. The following are also in seasonally adjusted terms unless otherwise stated. By value, exports rose 13.5 percent or $480 million and imports fell 0.3 percent or $10 million compared to May. Exports rose by volume for Meat (23.2 percent), Crude Oil (69.2 percent), Aluminium (a huge 325.9 percent) and Wine (12.7 percent). They fell for Dairy (by 11.8 percent), and Seafood (6.1 percent). By value, all major categories rose except Dairy. Imports fell by value in all major categories. Exports to China rose 26.5 percent in the year to June, and fell 8.9 percent to Australia. Imports from China rose 1.4 percent in the same period, and fell 4.6 percent to Australia.

- The Performance of Manufacturing Index[1] for June 2013 was 54.7, a fall from 59.0 in May. The employment sub-index also fell: to 51.9 from 55.3 in May, which was a steep rise from the previous month.
- The Performance of Services Index[1] for June 2013 was 55.0, down from 56.0 in May. The employment sub-index fell to 50.1 from 53.3 in May.
- The Retail Trade Survey for the three months to March 2013 showed retail sales rose 0.5 percent by volume and 0.9 percent ($167 million) by value in the quarter compared with the December 2012 quarter, seasonally adjusted. By volume, the largest contributors to the increase were pharmaceutical and other store-based retailing, up 2.2 percent, motor vehicle and parts retailing, up 1.1 percent, and hardware, building, and garden supplies retailing, up 1.2 percent. Liquor (up 4.0 percent) and Non-store and commission-based retailing (up 5.8 percent) also rose strongly. Clothing, footwear, and accessories fell 2.4 percent. Supermarket and grocery store sales rose 0.8 percent.
- On 25 July 2013 the Reserve Bank left the Official Cash Rate unchanged at 2.5 percent. The next review will be announced on 12 September 2013, in conjunction with a Monetary Policy Statement.
- The REINZ Housing Price Index was static in the month of June 2013. The index was up 8.4 percent compared to June 2012. The national median house price rose to $394,000 from $392,000 in May 2013, a rise of 0.5 percent, still lower than the $400,000 in March 2013, but nevertheless an increase of 5.9 percent in the year to June.

Employment



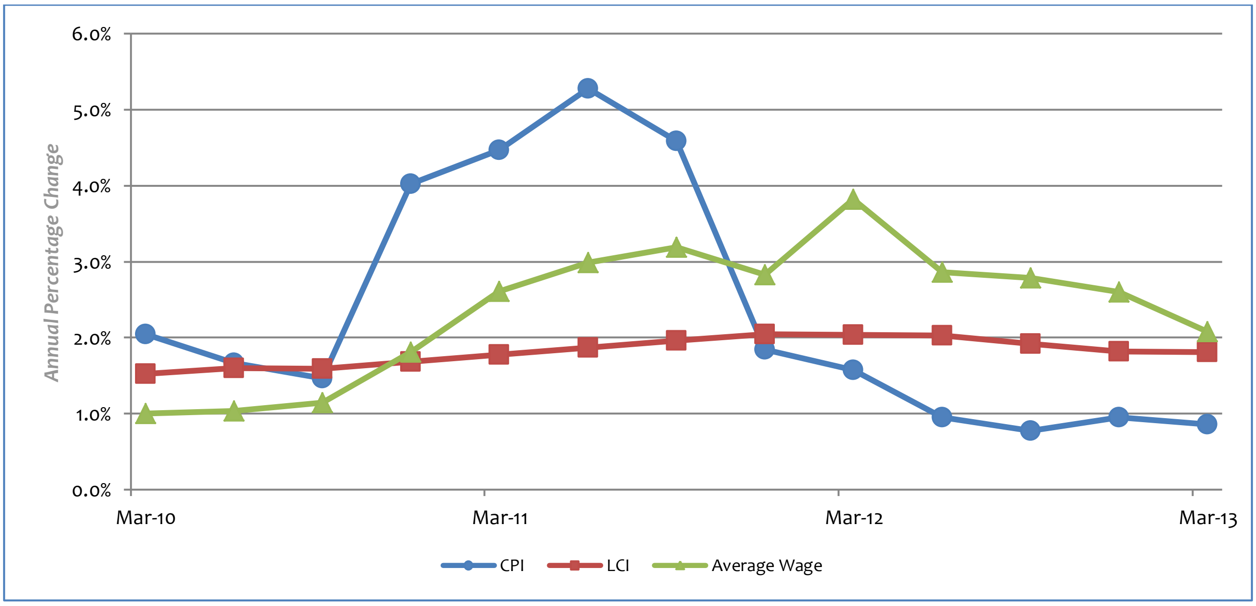
- According to the Household Labour Force Survey the unemployment rate in the March 2013 quarter fell to 6.2 percent from a revised 6.8 percent in the December 2012 quarter, its lowest value since March 2010. There were 146,000 people unemployed. Maori unemployment was 13.9 percent (the same as in March 2012) and Pacific unemployment was 15.2 percent (down from 16.0 percent in March 2012). Youth unemployment (15-19 year olds) was 25.6 percent, up from 23.4 percent in March 2012, and the unemployment rate among 20-24 year olds was 10.9 percent, down considerably from 15.0 percent in the March 2012 quarter. There were 79,000 people aged 15-24 years who were not in employment, education, or training (NEET), which is 12.5 percent of people in that age group, down from 14.0 percent in the December 2012 quarter or 89,000 people (seasonally adjusted). The labour force participation rate partly recovered to 67.8 percent from 67.2 percent over the quarter, but it is still behind the 68.4 percent in September 2012 it had been at for almost two years. Over a quarter of unemployed people (26.3 percent or 40,900) have been out of work for more than 6 months, up from 25.6 percent a year ago, and 10.2 percent or 15,900 have been unemployed for more than a year, down from 11.2 percent a year ago. Compared to OECD unemployment rates, New Zealand has improved to 11th equal position, from 14th position in December (out of 34 countries).

- ★ At the end of June 2013 there were 48,756 working age people on the unemployment benefit, a decrease of 1,184 from June 2012. From July, benefits have been renamed and several are now classified as “Jobseeker” which includes what used to be the unemployment benefit, sickness benefits and some Domestic Purposes benefits. The others are “Sole Parent Support”, covering sole parents with youngest child under 14 years old and widows, “Supported Living Payment” including invalids’ benefits, and those caring after the “sick or infirm”, Youth and other benefits. Data is now available only quarterly (see Unemployment Benefit numbers on the MSD website).

- ★ Job Vacancies Online showed that all job vacancies decreased by 3.6 percent in the month of June in seasonally adjusted terms, following a fall in May. Skilled job vacancies fell by 2.8 percent in June, following an increase in May. In the year to June, all vacancies rose 3.1 percent while skilled vacancies rose 1.5 percent

★ International Travel and Migration data showed 8,330 permanent and long-term arrivals to New Zealand in June 2013 and 6,010 departures in seasonally adjusted terms, a net gain of 2,330. There was an actual net gain of 7,907 migrants in the year to June. Net migration to Australia in the year to June was 31,246 departures, with 48,027 departures and 16,781 arrivals, the largest number of arrivals from Australia in a June year in a decade. For the month of June, the seasonally adjusted net loss to Australia was 1,620.

Wages and prices



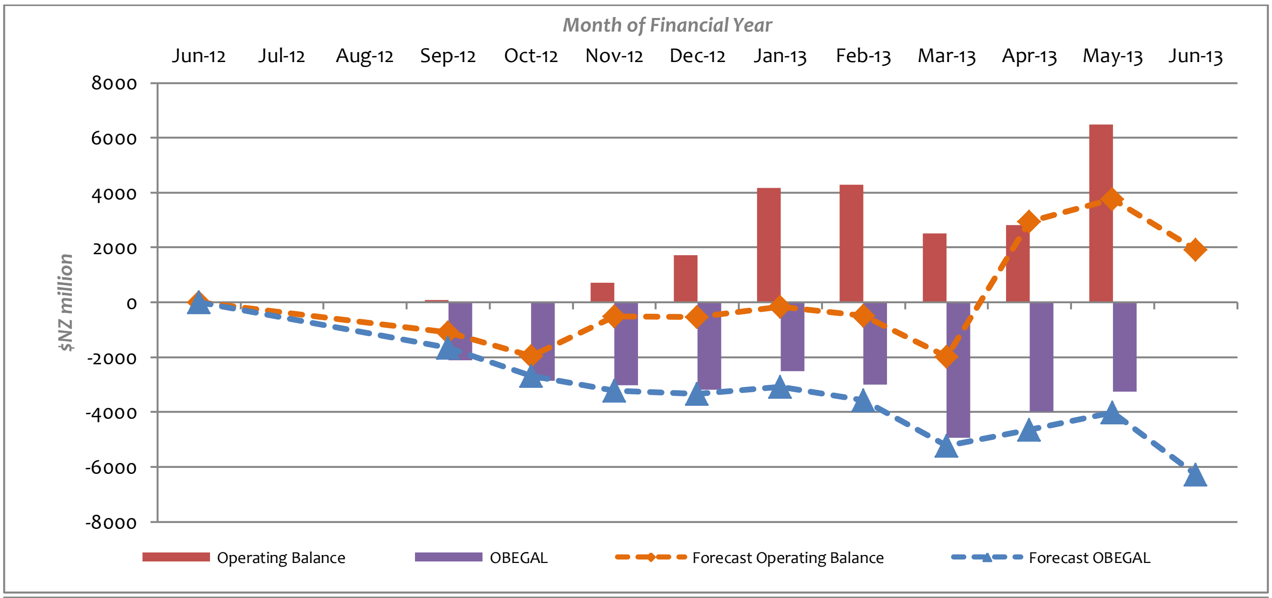
- The Labour Cost Index (LCI) for salary and ordinary time wage rates rose 0.4 percent in the three months to March 2013, following a 0.5 percent rise in each of the last three quarters. The LCI increased 1.8 percent in the year to March. It increased 0.4 percent in both the public and private sectors in the three months to March. Over the year to March it rose 1.5 percent in the public sector and 1.8 percent in the private sector. For the 56 percent of those surveyed who received an increase in their salary or wage rate during the year, the median increase was 2.9 percent.

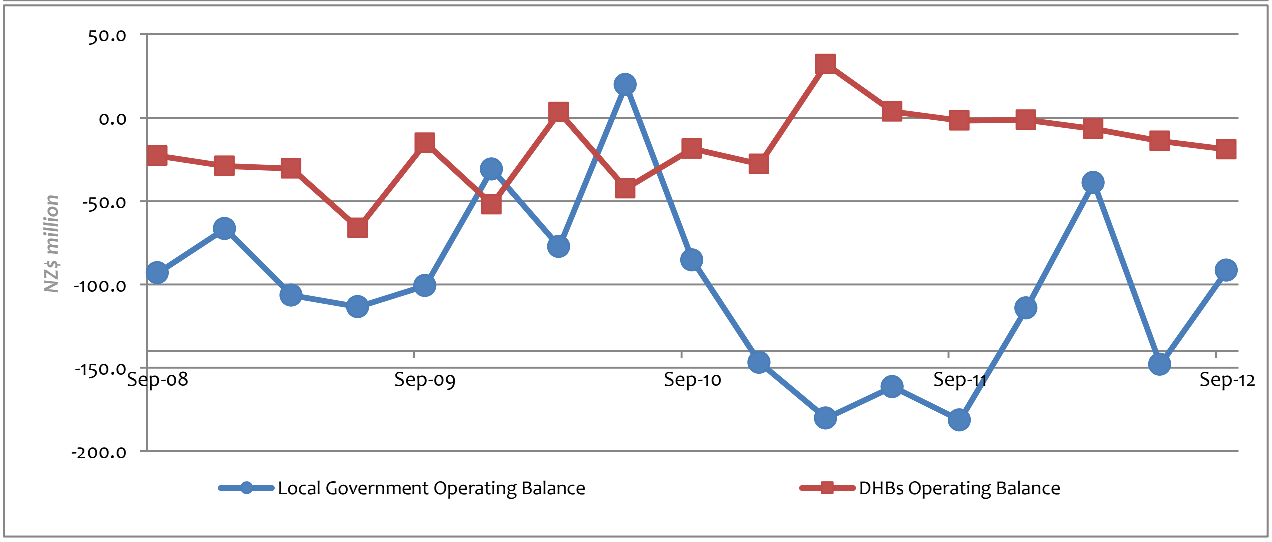
- The March 2013 Quarterly Employment Survey found the average hourly wage for ordinary-time work was $27.48, up 0.8 percent on the December 2012 quarter and up 2.1 percent over the year. The average ordinary-time wage was $25.42 in the private sector (up 1.0 percent in the quarter and up 2.3 percent in the year) and $35.24 in the public sector (up 1.6 percent in the quarter and 1.4 percent in the year). Female workers (at $25.38) earned 13.2 percent less than male workers (at $29.24) for ordinary time hourly earnings, a pay gap which has increased from 12.9 percent a year before, and 12.5 percent in March 2011.

★ The Consumer Price Index rose 0.2 percent in the June 2013 quarter compared with the March quarter and increased 0.7 percent for the year to June. For the quarter, the largest contributor to the increase was housing and household utilities which rose 1.1 percent including electricity (rising 2.6 percent) and purchase of new housing (1.7 percent). Insurance rose 2.4 percent, with dwelling insurance rising 9.9 percent and health insurance 4.3 percent. Petrol prices fell 2.5 percent and motor vehicle prices fell 1.5 percent.

★ The Food Price Index rose 2.1 percent in the month of June 2013, following a 0.3 percent rise in May. Food prices rose 0.6 percent in the year to June. In June compared with May, fruit and vegetable prices rose 13 percent; meat, poultry, and fish prices rose 1.3 percent; grocery food prices rose 0.1 percent; non-alcoholic beverage prices rose 1.1 percent; and restaurant meals and ready-to-eat food prices rose 0.2 percent.

Public Sector





★ According to Treasury's Financial Statements of the Government of New Zealand for the eleven months to 31 May 2013, government tax revenue was up $502 million (0.9 percent) on the revised forecast in the 2013 Budget Economic and Fiscal Update. Corporate tax was $496 million above forecast and "other individuals" tax was $164 million above forecast while GST was $222 million lower than forecast probably reflecting lower consumption than expected. "Strength in equity markets contributed to the positive variances." Core Crown expenses were $96 million or 0.2 percent lower than forecast. The operating balance before gains and losses (OBEGAL) was $763 million (18.9 percent) better than forecast, at a $3.3 billion deficit. The operating balance was $6.5 billion in surplus, $2.7 billion (72.5 percent) higher than forecast, and continuing to be tossed around by unforecast investment gains by the New Zealand Superannuation Fund ($1.2 billion) and a reversal of last month's rare losses by Accident Compensation Corporation (gaining $0.4 billion). "The turn-around of the actuarial loss was a result of an increase in the discount rate during May and highlights the volatility associated with the valuations of the long-term liabilities." Remember that next time a politician claims there is a crisis in ACC's accounts. The Government's net debt was 26.4 percent of GDP or $55.7 billion, which is below its 26.7 percent forecast, revised in the May Budget. The partial privatisation of Mighty River enters the government's books this month. Because the 48.2 percent non-government shareholders are referred to as "non-controlling minority interests", the entire value of the company remains on the government's balance sheet so its net worth appears to rise by the net proceeds from the sale of $1.643 billion despite the loss of share ownership. Privatisation costs attributed to the sale were $17 million in direct costs and $25 million for the estimated cost of the loyalty bonus share scheme rewarding those wealthy enough to buy shares and hold onto them.

- District Health Boards recorded an operating deficit of $18.9m for the September 2012 quarter compared to a deficit of $13.9m for the June 2012 quarter. Total revenue rose to $3.45 billion in September (including $2.92 billion from the Ministry of Health), compared to $3.44 billion in March. Employment costs were $1.28 billion in the three months to September, down from $1.32 billion for the June 2012 quarter, compared to total expenses of $3.47 billion, up from $3.45 billion in the June quarter. Further information is on the Ministry of Health web site.
- Local Government recorded a 1.7 percent rise ($36.1 million) in operating income and a fall ($47.4 million) in operating expenses including a reduction of $1.1 million in employee costs for the March 2013 quarter compared to December 2012. This resulted in an operating surplus of $90.9 million, compared with a revised surplus of $7.4 million in the December quarter, and deficits in all previous quarters back to June 2010, all in seasonally adjusted terms.

Notes

1 For the Performance of Manufacturing Index (PMI) and Performance of Services Index (PSI) a figure under 50 shows the sector is contracting; above 50 shows that it is growing. Previous month's figures are often revised and may differ from those published in a previous Bulletin.

This bulletin is available online at http://www.union.org.nz/economicbulletin148.

For further information contact Bill Rosenberg.