

**Project
update**

**Papua New Guinea
labour resources study
4 Apr 2014**

SCOPE

- Project purpose
- Research approach and phases
- Phases and tasks completed
- Challenges
- Milestone progress
- Future work
- Preliminary findings

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Project purpose

- **Purpose.** The project's purpose is to provide an overview of the current labour resources in Papua New Guinea – formal and informal – with a focus on wages, income and productivity.
- This purpose has been pursued within a broad Terms of Reference, that allows for adjustment of research direction and focus based on stakeholder feedback and research findings

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Research approach & phasing

- We have divided the project into four phases:
 - **Phase 1:** Literature review, key stakeholder interviews and survey instrument development
 - **Phase 2:** Survey distribution, qualitative interviews and primary source data collection
 - **Phase 3:** Data collection, collation, follow-up and analysis
 - **Phase 4:** Project write-up

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Phases and tasks completed

– Phase 1:

1. Literature review – completed
2. Key stakeholder interviews – completed, follow-up conducted as required
3. Survey instrument development – completed, three survey implements developed
 - a. Formal sector
 - b. Informal sector – business
 - c. Informal sector – employee

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Phases and tasks completed

– Phase 2:

1. Survey distribution

- a. Distributed 200 + formal surveys, the majority in-person
- b. Surveys distributed across industry groups and cover small and large businesses
- c. Conducted 200 + informal survey interviews
- d. Surveys distributed in the following centres:
 - i. Port Moresby
 - ii. Lae
 - iii. Kimbe
 - iv. Rabaul/Kokopo
 - v. Mt Hagen/ Goroka

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Phases and tasks completed

– Phase 2:

1. Qualitative interviews

- a. Over 40 interviews conducted with formal businesses, key bureaucracies and non-government organisations

2. Primary source data collection

- a. Conducted across multiple government departments and businesses

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Phases and tasks completed

- **Phase 3:**

1. Survey follow-up – commenced
2. Data collation – commenced
3. Data analysis – commenced

- **Phase 4:**

1. Project write-up – commenced

Challenges

- **General lack of current government statistics**
 - Statistics relating to the labour market, GDP and CPI are dated and cannot be considered robust
 - There is no national Registrar of Businesses, it has been 14 years since the last Business Census and over 20 years since the last Employment Census
 - Labour data from the 2011 Census has not been collated
 - The CPI basket and pricing index has just been recalculated
- **Formal wage data is difficult to collect**
 - Many firms are unwilling to provide wage data – citing “competitive advantage” reasons for not providing wage data
 - Very slow response process from businesses – requires multiple follow-up requests and visits

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Milestone Progress

Milestone 1	<ul style="list-style-type: none"> •Literature reviews phase 1 and 2 completed; •Design of survey instruments finalised; •Fieldwork planning completed; •Progress Report One submitted. 	Completed
Milestone 2	<ul style="list-style-type: none"> •Fieldwork completed in NCD and four regions; •Progress Report Two submitted 	Fieldwork completed – awaiting formal survey responses
Milestone 3	<ul style="list-style-type: none"> •Data storing and processing completed; •Key report emphases developed; •Progress Report Two submitted 	Commenced
Milestone 4	<ul style="list-style-type: none"> •Advanced consultation and analysis; •Seminar presentation; •Final report presentation in Port Moresby and acceptance of report by EPSP and AusAID 	Commenced

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Future work

- Aim to have receipted all formal surveys by 01 May 2014
- Aim to have collated all informal survey data by 15 May 2014
- Aim to have outlined chapter structure and key themes by 01 June 2014 – this has already started but will be refined once data is reviewed.
- All of these aims are dependent on the return of surveys and the availability of efficient research assistants

Preliminary findings

- Much of the collected data has been of very high quality
- The size of data collection far exceeds previous labour surveys:
 - Current data covers over 10 000 private sector employees and 80 000 public sector employees (Levantis 1997 uses data from < 2000 employees)
 - Additional data collection will include private wage data relating to over 100 000 private sector employees
- That said, it is too early to provide findings regarding survey data – we are still waiting to receive and analyse a significant amount of data
- Qualitative interviews and observations have identified a number of key themes that have focused the direction of our research.
- The general theme is one of institutional decline that suggests the need for institutional rebuilding.

Preliminary findings

- Examples of this decline include:
- A decline in the quality and quantity of general statistical data – it has never been of a high standard but has regressed in the last 15 years
- A decline in the institutions that support the labour market
 - Government bureaucracies – in terms of capacity and function
 - Education – primary, secondary, tertiary, vocational
 - Public infrastructure – transport, electricity, law and order
 - Public goods – rule of law, corruption
- A decline in the ability of the Government to conceptualise, manage and optimise its most important national asset – its people.

Preliminary findings

- Based on these findings, we have refined our report focus so that it provides a frame of reference for discussing and managing labour resource development and use in Papua New Guinea:

Grappling afresh with PNG labour resource challenges:
a framework for moving forward

- The report will provide data, but this data will be framed within a context that shows why such data is important and how it generates responsibilities for policy makers, policy implementers and private sector HR managers.



Questions