

**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

## Milestone Progress

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

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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