INTRODUCTION for Issue 2011(3) – Incorporating the Special Issue for the 2010 Australian Labour Market Research (ALMR) Workshop

Boyd Hunter, (AJLE Editor) Australian National University, and
Kostas Mavromaras, (ASLE President) Flinders University

This edition of the Australian Journal of Labour Economics (AJLE) contains two articles presented at the 2010 Australian Labour Market Research (ALMR) Workshop held in Adelaide on the 13th and 14th of December 2010. The ALMR Workshop is the annual conference of the Australian Society of Labour Economists (ASLE), and is designed to disseminate high quality research on labour economics and labour relations and to promote informed debate among economists about current labour market issues facing the Australian labour market. The aims of the ALMR Workshop are entirely consistent with those of the AJLE and hence we are more than happy to support the conference with a special issue, which we have done numerous times in the past, always following the standard peer review process of the AJLE. After the process of peer review, two of the submitted papers from the ALMR Workshop were deemed to be suitable for publication. We have also received a belated submission that is yet to be assessed. Given that the ALMR Workshop is an annual conference, it is important to publish as soon as possible after the conference, so that we can publish suitable papers from the next ALMR Workshop (scheduled for February 2012 at the University of Canberra). Accordingly, we will allow the process of peer review to take its course for this belated potential contribution.

The initial ‘Call for Papers’ for the 2010 ALMR workshop asked for submissions of papers on a wide range of labour market topics including education, workplace training and skills; labour markets for professionals; health and disabilities (and their interaction with work); mature age workers and retirement; and finally, post global recession labour markets. As it turns out, both of the papers accepted for publication in this issue focus largely on the topic of mature workers and retirement.

The first paper by Martin O’Brien, ‘Discouraged Older Male Workers and the Discouraged Worker Effect’, investigates some issues surrounding the relation between unemployment and participation of older males in the workforce of several OECD countries. One of the most striking features of the data on discouraged workers used in this paper is the lack of cyclical variation in the proportion of the population (and labour force) who are discouraged workers. This stylised fact is likely to be also true for other countries and probably needs to be understood by more labour economists. The core result of this paper is undoubtedly the greater sensitivity of participation to
downturns compared to recoveries, a finding that has considerable implications for policy makers.

The second contribution from the 2010 ALMR Workshop is the paper ‘Labour Market Engagement of Mature-Age Workers’ by Jennifer Poehl and Bruce Cunningham. This paper uses the Household, Income and Labour Dynamics in Australia (HILDA) survey data to examine the factors affecting full and partial retirement among Australian men and women aged between 55 and 64 years. The paper adds to the existing retirement literature in Australia by examining associations between job characteristics and transitions to retirement by providing new evidence about differences in the likelihood of moving to full or partial retirement according to occupation and other job characteristics.

The next three papers in the issue were not presented at the 2010 ALMR Workshop, but in a sense complement the issues raised in the Call for Papers for that conference.

Mike Dockery, Rachel Ong and Gavin Woods’ paper, ‘Measuring Work Disincentives: Taxes, Benefits and the Transition into Employment’, also uses the HILDA survey data. Work disincentives, are identified in that paper using a tax-benefit simulator that was developed for Australian Housing and Urban Research Institute, and have clear implications for both mature aged workforce and discouraged workers.

The paper by Michael Corliss and Phil Lewis, ‘The Economic Boom, Population and Structural Change and the Market for Tradespersons’ is extremely topical in the context of the ongoing mining boom in Australia. The paper uses time series data from several Australian censuses to establish the spatial characteristics of the labour supply response in the trades to the booming conditions in the lead up to the 2006 Census.

The final paper by Guyonne Kalb and Sholeh Maani, ‘How Important are Omitted Variables, Censored Scores and Self-selection in Analysing High-school Academic Achievement?’, would also have fitted well with the themes of the 2010 ALMR Workshop (especially those focused on education and skill attainment). That paper finds that omitting background characteristics from an estimation results in the overestimation of coefficients, while allowing for selection correction does not affect the estimation results. This paper reaffirms the commitment of the AJLE to Australasian issues as it uses the Christchurch Health and Development longitudinal Study (CHDS). While we always welcome papers that use the HILDA survey, the paper by Kalb and Maani is a welcome reminder that the HILDA survey is not the only longitudinal data set that can be used by Australian and New Zealand Labour Economists.