Unions and Union Membership in New Zealand: Annual Review for 2003

ROBYN MAY, PAT WALSH AND CATHERINE OTTO*

Introduction

This paper reports the results of Victoria University's Industrial Relations Centre's survey of trade union membership for 2003 in New Zealand. The survey carries on from our earlier surveys, conducted by the Industrial Relations Centre since 1991. As with all reports since the enactment of the Employment Relations Act (ERA), there has also been an increase in union membership in 2003. Union membership for the year to December 2003 rose 1.5 per cent, with the number of unions rising to 181. Union density is 21.4 per cent, unchanged from 2002 (both figures have been recently revised from that reported earlier, as a result of a population rebase by Statistics New Zealand). Thus, union recruitment has not been able to keep pace with strong labour force growth over the year.

Methodology

When the Employment Contracts Act 1991 (ECA) ended the practice of union registration, it not only removed the distinct legal status of trade unions but it also brought to an end the official collection of data on trade union membership. In the absence of official data, the Industrial Relations Centre at Victoria University of Wellington began to undertake voluntary surveys of trade unions in December 1991, and these surveys continue to the current date. Notwithstanding their voluntary status, the surveys have always had a high compliance rate. In addition to information on aggregate membership, our surveys have also sought information on gender and industry breakdown (at two digit industry level) and organisational affiliations. We have recently included an additional question on whether unions collect statistics on the ethnic background of their membership.

The return to official collection of data on union membership began in 2001 with the ERA's requirement that unions submit an annual return of members to the Registrar of

* Robyn May, Pat Walsh and Catherine Otto are Senior Research Fellow; Professor of Human Resource Management and Industrial Relations; and Project coordinator, respectively, all of the Industrial Relations Centre, Victoria University of Wellington.

This study is part of a larger project which receives funding from the Public Good Science Fund administered by the Foundation for Research, Science and Technology (Contract no. Vic X0301). The authors are grateful to all the union officials who assisted with this research.

Unions at 1 March of each year. In 2002, the Department made public for the first time in over a decade, the membership of each of the registered unions, and has continued to do so each year since (DOL 2002, 2003, 2004).

For our survey this year we included only those unions registered as at 31/12/03, as per the Department of Labour website of registered unions (see www.ers.dol.gov.nz-union-registration and DOL Annual Report 2003). At the end of 2003, registered unions numbered 186. Two unions (The Seafarers Union and The Waterfront Workers Union) merged to form the Maritime Union of New Zealand, and four unions deregistered, reducing the number to 181. The Department of Labour notes that there were 178 registered unions at 1 March 2004 (DOL, July 2004) this is due to three unions deregistering during the period January to June 2004.

In February 2004, each of the registered unions was sent a survey requesting membership numbers as at 31 December 2003. Two further follow up mail-outs resulted in a total of 134 returns. Details on the remaining 47 unions were established by using last year's return verified by the Registrar's figures, or telephone contact where possible, and any media information (DOL 2003, 2004). Of these 47 unions, five were newly registered and were attributed the minimum membership figure of 15.

The Employment Relations Act and Trade Union Registration

The objects of the Act with respect to the recognition and operation of unions are:

- To recognise the role of unions in promoting their members' collective interests
- To provide for the registration of unions that are accountable to their members
- To confer on registered unions the right to represent their members in collective bargaining
- To provide representatives of registered unions with reasonable access to workplaces for purposes related to employment and union business.

In pursuit of these objectives, the ERA establishes a union registration system, and grants registered unions bargaining rights together with rights of access to workplaces (specified in sections 19-25). To gain registration, a union must have more than 15 members, and provide a statutory declaration that it complies with the requirements of s14 of the Act regarding rules, incorporation and independence from employers. The Act requires the statutory declaration to stipulate that the union is 'independent of, and is constituted and operates at arm's length from any employer' (s14(1)d). The Registrar of Unions may rely on the statutory declaration to establish entitlement to registration. Only registered unions may negotiate collective agreements, and collective agreements apply only to union members whose work falls within the agreement's coverage clause, and to new workers whose work falls within the agreement's coverage clause for the first 30 days of their employment.

Results: Union numbers and membership

Table 1 shows trade union membership since 1985. Union density is defined as the proportion of potential union members who belong to a union (Bamber and Lansbury, 1998). The numerator and denominator in this equation vary from country to country and there is no agreed 'correct' method. What is important is consistency in reporting so that results can be compared year on year. One measure of density uses the total employed labour force as the denominator. This includes employers, self-employed and unpaid family members, many of whom do not usually represent potential union members. Another measure of density is based on wage and salary earners only. Whilst union membership numbers continued to rise in 2003, strong labour force growth has meant that density levels have stalled at 2002 levels. The growth in the total labour force during 2003 was 2.6 per cent and the growth of wage and salary earners alone was 2.1 per cent. Union membership increases did not keep pace with this growth.

Table 1: Trade Unions, Membership and Union Density 1991-2003

			Potential union membership		**Union density**	
	Union member ship	Number of unions	Total employed labour force	Wage and salary earners	(1) / (3) %	(1) / (4) %
	(1)	(2)	(3)	(4)	(5)	(6)
Dec 1991	514325	66	1518800	1196100	**33.9**	**43.0**
Dec 1992	428160	58	1539500	1203900	**27.8**	**35.6**
Dec 1993	409112	67	1586600	1241300	**25.8**	**33.0**
Dec 1994	375906	82	1664900	1314100	**22.6**	**28.6**
Dec 1995	362200	82	1730700	1357500	**20.9**	**26.7**
Dec 1996	338967	83	1768200	1409300	**19.2**	**24.1**
Dec 1997	327800	80	1773200	1424000	**18.5**	**23.0**
Dec 1998	306687	83	1760900	1399100	**17.4**	**21.9**
Dec 1999	302405	82	1810300	1435900	**16.7**	**21.1**
Dec 2000	318519	134	1848100	1477300	**17.2**	**21.6**
Dec 2001	329919	165	1891900	1524900	**17.4**	**21.6**
Dec 2002	334783	174	1935600	1566400	**17.3**	**21.4**
Dec 2003	341631	181	1986100	1598700	**17.2**	**21.4**

Source: Household Labour Force Survey, Table 3, Table 4.3 (unpublished), HLFQ.SAA3AZ, Industrial Relations Centre Survey (Notes: Total employed labour force includes self-employed, employers and unpaid family workers. Figures in columns 3, 4, 5 & 6 are different to those reported in previous years due to a population rebase by Statistics NZ in June 2004, see HLFS population rebase: June 2004 quarter, July 2004)

In June 2004, Statistics New Zealand adjusted the Household Labour force statistics, based on the 2001 census, and the adjustment was made all the way back to March quarter 1986. As a result, the slightly higher labour force figures have meant a small downward adjustment to density figures. The figures reported in Table 1 are, therefore, different to those previously reported from this survey.

Results: Union size

Prior to 1987, New Zealand had numerous small unions, most of whom were dependent on the protections of the arbitration system. The introduction in the Labour Relations Act 1987 of the requirement that unions have a minimum membership of 1000 ensured that the number of unions dropped dramatically between 1985 and 1989. During the ECA, when registration provisions were abolished, the number of unions estimated to be in existence varied between 58 (in 1992) and 83 (in 1996). It is possible these figures may have slightly under represented the real numbers of unions, as there was no formal means of identification. However, these are the only documented estimates available. It is noteworthy that the number of unions remained very stable between 1994 and 1999.

The number of unions has more than doubled in the last four years since the introduction of the ERA (see Table 1 above). A key reason for this is that under the ECA, a large number of collective contracts were negotiated by informal groupings of workers who did not define themselves as unions and were not captured by our surveys. The ERA requirement that only registered unions can participate in collective bargaining has led to many of these to formalise their status as a registered union to allow them to continue to negotiate their terms and conditions of employment. The low membership threshold for registration - just 15 members - allows these unions to register on an enterprise basis. As Table 2 shows, the membership of unions with less than 1,000 members has risen almost seven-fold since 1991. However, this has not substantially altered the distribution of membership by union size since 1999. Small unions (those with less than 1000 members) still only account for 6 per cent of overall membership, and large unions (those with more than 10,000 members) account for 70 per cent of all membership. Overwhelmingly, membership increases are as a result of growth in the large established unions. One consequence of the rise in union numbers is that average union size has declined substantially, from 7,593 members in 1991 to 1,887 members in 2003 (Harbridge, Hince and Honeybone, 1994).

Closer examination of the new unions, those unions whose formal existence is closely linked to the ERA, has found that the majority are enterprise or workplace based. This is a new phenomenon for New Zealand unionism. Furthermore, these organisations often do not see themselves as unions; this reflects the context of their origins under the ECA. Indeed, a number of them explained on survey returns that: ‘the ERA forced us to become a union’ (Barry and May, 2002: 17). These organisations have extremely limited resources and typically exist to negotiate a collective agreement for members and little beyond.

Table 2: Membership by union size 1991 – 2003, selected years

M'ship range	May 1991 No.	May 1991 Members	May 1991 %	Dec 2001 No.	Dec 2001 Members	Dec 2001 %	Dec 2003 No.	Dec 2003 Members	Dec 2003 %
Under 1000	4	2954	1	131	18616	6	147	21591	6
1000 – 4999	48	99096	16	22	46178	14	21	45735	13
5000 – 9999	8	64268	11	4	29507	9	5	35103	10
10000+	20	436800	72	8	235618	71	8	239202	70
Totals	**80**	**603118**	**100**	**165**	**329919**	**100**	**181**	**341631**	**100**
Av. Size		**7539**			**2000**			**1887**	

Source: Industrial Relations Centre Survey

Table 3 shows that despite the increase in the numbers of unions, the concentration of union membership in the top 10 largest unions remains high, dropping only slightly from 78 per cent in 1999 to 75 per cent in 2003. This tendency for membership to be concentrated in the largest 10 unions was in part a consequence of the 1,000 member rule introduced through the Labour Relations Act (LRA) in 1987. The LRA set in motion a process of union amalgamations and mergers that bore fruit in the 1990s, leading to a high degree of union concentration. This concentration trend was accelerated by the collapse of many unions under the ECA. Between 1984-1991, the largest 10 unions represented around 45 per cent of all union members. By 1994 the largest 10 unions represented 70 per cent of all union membership (Harbridge, Hince and Honeybone, 1994) and concentration has remained high since.

Table 3: Membership of largest 10 unions (selected years)

	Numbers of unions	Total membership of largest 10 unions	Total union membership	Concentration %
1984/1985	259	292856	666027	44
1990	104	275854	611265	45
1994	82	261186	375906	69
1999	82	234523	302405	78
2000	134	244560	318519	77
2001	165	253452	329919	77
2002	174	255700	334783	76
2003	181	256280	341631	75

Source: Industrial Relations Centre Survey, Harbridge, Hince & Honeybone, 1994

Results: Union membership by Industry

Table 4 examines gains and losses in membership by industry at the one-digit level (classified according to the Australia New Zealand Standard Industry Classification). In 2003, unions recorded large membership gains in the retail sector and the construction sector, two of the fastest growing areas of the labour force. Membership in construction grew by 27 per cent in 2003 and retail grew by 10 per cent. This is good news for unions in these hard to organise areas. Table 6 shows, however, that, despite membership gains, union density levels have only slightly improved in retail and have declined in construction. Membership gains have not kept up with labour force growth in the two sectors. There was also a noteworthy increase of 48 per cent in membership in the relatively small agriculture, fishing and forestry sector.

Membership gains are once again recorded within the public and community services category although at more modest rates than last year. Membership in the government administration and defence category has increased by 2 per cent, in the health sector by 2 per cent and in the education sector 5 per cent. Of concern for unions will be the ongoing decline in manufacturing, where membership dropped 3 per cent in 2003, on the back of a 1 per cent decline in 2002. This sector alone comprises 21 per cent of overall union membership.

Table 4: Union membership change by industry 2002 – 2003

Industry Group	Dec 2002	Dec 2003	Change 2002-2003 (%)
Agriculture, fishing, forestry etc	2472	3656	**48**
Mining and related services	907	1029	**13**
Manufacturing	74060	71936	**-3**
Energy and utility services	4062	3763	**-7**
Construction & building services	4887	6201	**27**
Retail, wholesale, restaurants, hotels	16296	17849	**10**
Transport, storage and communication	32830	34153	**4**
Finance, Insurance and business services	14385	13148	**-9**
Public and community services	184884	189896	**3**
Govt admin and defence	33022	33735	**(2)**
Education	73854	75164	**(2)**
Health	60637	63570	**(5)**
TOTAL	**334783**	**341631**	**1.5**

Source: Industrial Relations Centre Survey

Table 5 shows where 2003's new union members have come from. The biggest gains have come from the health sector, which claims almost half of 2003's 6800 new members. The education, retail, transport and construction sectors all contributed to 2003 gains. Of concern for unions is the fact that the union mainstay of manufacturing slipped backwards in 2003, as it did in 2002 as well. The finance and business sector also continues to see declines in membership.

Table 5: Union membership and growth by industry 2003

Industry Group	Union membership 2003	Membership by industry %	Breakdown of new members 2003 %
Agriculture, fishing, forestry, etc.	3656	1.2	17.3
Mining and related services	1029	0.3	1.8
Manufacturing	71936	21.1	-31.0
Energy and utility services	3763	1.1	-4.4
Construction & building services	6201	1.8	19.2
Retail, wholesale, restaurants, hotels	17849	5.2	22.7
Transport, storage and communication	34153	10.0	19.3
Finance, Insurance and business services	13148	3.8	-18.0
Public and community services			
• Govt admin and defence	33735	9.9	10.4
• Education	75164	22.0	19.1
• Health and community	63570	18.6	42.8
• Other services	17427	5.1	0.8
TOTAL	**341631**	**100%**	**100% (6848)**
Membership private sector	**160208**	**46.9**	
Membership public sector	**181423**	**53.1**	

Source: Industrial Relations Centre Survey, 2003

Union membership remains highly concentrated, with three quarters of all members located in the public and community services sector and manufacturing sector. As we have noted in previous reports, these two sectors are not major growth areas of the labour force. In 2003, manufacturing and public and community services together accounted for 46 per cent of all wage and salary earners (Statistics NZ, unpublished tables). In 1996, the figure was 47 per cent, indicating that at best the two sectors have a stable presence in the overall labour force. However, for unions the reality is that three quarters of members are located in industry sectors that represent less than half the wage and salary workforce.

We also ask unions how many of their members work in the private sector and the public sector. We now estimate that almost 53 per cent of all union members work in the public sector. This is not quite the equivalent of the public and community services sector as that category includes some private sector employment, particularly in the areas of health, education and other services. Whilst we have only asked unions for their estimates of the public/private split of membership since 2000, using the public and community services sector as a proxy measure shows how the composition of membership between the public and private sectors has changed dramatically over the last decade or so. In 1991, 40 per cent of members were employed in the public and community sector (Crawford, Harbridge & Walsh, 2000), since 2000 we have tracked the per centage as over 50 per cent. This trend is underlined by analysis of our collective bargaining database, which for 2003/04 reports that 58 per cent of those covered by collective agreements contained in the database are employed in the public sector (May, Walsh & Kiely, 2004:17).

Tables 6 and 7 show that the areas of union stronghold are not the same as those sectors of the labour force that have grown over the last decade. Table 5 depicts how union membership is highly concentrated and table 6 shows that these sectors are the areas of highest density. The education sector has the highest level of union density at 51.9 per cent, closely followed by government administration and defence, health, transport and storage and then manufacturing. Density has been calculated by using the wage and salary earners only component of the Household Labour Force survey, thus eliminating self-employed and employers from the calculations.

Table 6: Density by industry (selected industries) 2003

	Approx. density 2003 (%)
Manufacturing	29%
Construction & building services	6.8%
Retail, wholesale, restaurants, hotels	5.1%
Transport, storage communication	34.1%
Finance, insurance & business services	6.8%
Govt administration & defence	48.3%
Education	51.0%
Health & community services	39.5%

Source: Household Labour Force Survey – wage and salary earners component, unpublished, Statistics New Zealand, 2004. Industrial Relations Centre Survey.

Table 7 shows that overall the labour force has grown by 13.5 per cent in the seven years December 1996 to December 2003, while union membership is essentially the same now as it was in 1996. Disguised within this, however, is the fact that membership bottomed out in 1999, before commencing a slow and steady increase to the current period. Sectors where employment growth has been above average include retail (growing 20 per cent), and construction (growing 26 per cent). The public and community services sector also grew by 18 per cent during this period. Union membership during the seven year period fell in all but three categories, those being agriculture, fishing and forestry; retail, wholesale and accommodation and public and community services, with an overall increase of a little under one per cent.

Table 7: Sectoral changes in employment 1996 – 2003, wage and salary earners component of HLFS

Industry Group	Labour force Dec 1996 (000)	Labour force Dec 2003 (000) (Change %)		Percentage increase/decline in union m'ship
Agriculture, fishing, forestry etc	67.8	75.6	11.5%	240.7%
Mining and related services	2.7	2.6	-3.7%	-10.1%
Manufacturing	248.1	248.3	0.08%	-8.6%
Energy and utility services	12.5	9.5	-24%	-38.2%
Construction & building services	72.3	91.1	26%	-5.7%
Retail, wholesale, restaurants, hotels	321.0	384.8	19.9%	67.7%
Transport, storage and communication	87.7	100.3	14.3%	-20.7%
Finance, Insurance and business services	175.5	192.5	9.7%	-48.5%
Public and community services (includes Non-public sector employment)	417.9	492.4	17.8%	14.3%
TOTAL	**1408.3**	**1598.7**	**13.5%**	**0.8%**

Source: Household Labour Force Survey, wage and salary earners component, 1996 & 2003, unpublished, Statistics New Zealand. Industrial Relations Centre Survey.

Results: Gender

The percentage of union members who are female is 52.7 per cent. As reported in previous years, female membership in unions remains higher than their participation in the workforce. The percentage of the total labour force that is female is 45.7 per cent (Household Labour Force Survey, Dec 2003 Table 3, Statistics New Zealand 2003). The percentage of union members who are female has been around 48-50 per cent for the last decade. This year's figure is the highest we have reported so far, higher than last year's figure of 51.5 per cent.

Ethnicity analysis

The 2001 survey asked a new question about whether the union collected statistics on the ethnic background of membership. This year, 32 unions advised that they collected statistics on ethnicity. These unions covered 167,419 employees or 49.0 per cent of total union members. The aggregate breakdown of that membership by ethnicity, compared to the ethnicity breakdown of the total labour force, was as follows:

Table 8: Ethnicity by sample and labour force 2003 – where details are provided

Ethnic group	Survey sample	Total labour force*
NZ European / Pakeha:	60.4	78%
Maori:	10.1	9.5%
Pacific Peoples:	7.0	4.4%
Asian:	0.8	N/a
Other:	21.8	7.6%
Total	**100%**	**100%**

* Statistics N1ew Zealand, Household Labour Force Survey, December Quarter 2003, table 5. No breakdown given for Asian working population

Results: Peak body affiliations

We asked each union to report on their peak council affiliation and the results are reported in Table 8 below. Since many of the new unions have no sense of affinity with the wider movement (Barry and May 2002), few of these have affiliated with the CTU. As a result, only 36 of the 181 registered unions are CTU affiliates. More importantly, however, CTU affiliates comprise 87 per cent of total union membership and represent 18 of the 20 largest unions in New Zealand. This proportion has been consistent throughout the period of the ERA.

Table 9: NZCTU affiliation 1991 – 2003

	NZCTU Affiliate unions	Members	Per centage of total m'ship in CTU affiliates
1991	43	445116	86.5
1992	33	339261	79.2
1993	33	321119	78.5
1994	27	296959	78.9
1995	25	284383	78.5
1996	22	278463	82.2
1997	20	253578	77.4
1998	19	238262	77.7
1999	19	235744	78.0
2000	26	273570	85.9
2001	32	289732	87.8
2002	34	293466	87.7
2003	36	297440	87.1

Source: Industrial Relations Centre surveys

Discussion

Four years have elapsed since the passing of the ERA in October 2000, and we are in a reasonable position to make comment on its impact of New Zealand's union movement. Every year since the ERA's introduction, has seen an increase in membership. Overall, the four years have seen membership rise by 13 per cent, or a little over 39,000 members. The annual increases have been variable. Membership increased by 5.4 per cent in 2000, it was 3.6 per cent in 2001 and for the last two years the rate of annual increase has dropped to 1.5 per cent. In terms of union density, the clearest measure of union strength, the inability of union recruitment to keep pace with strong labour force growth over recent years has seen density effectively stalled at around 21 per cent of all wage and salary earners.

A number of issues emerge for New Zealand's trade unions. The ERA has a clear objective to promote collective bargaining. This has not occurred. The Industrial Relations Centre's most recent analysis of collective agreements shows a decline in bargaining coverage (May, Walsh & Kiely, 2004). In part this is a function of the ERA's requirements that only union members are covered by collective agreements, and as a consequence, the prevalence of 'free-riding'. The decline in coverage is also due to unions' inability to extend bargaining on a multi-employer or industry basis, and break into the hard to unionise but expanding areas of the labour market. These issues have been uppermost on unions' minds as they lobbied government over the detail of the Employment Relations Law Reform Bill. The Bill, which the government hopes will be law on 1 December 2004, makes changes around good faith rules for collective bargaining including new remedies for breaches of good faith during bargaining. The Bill also introduces protections for vulnerable workers in a transfer, sale or contracting out situation and makes some changes to provisions for the promotion of collective bargaining.

In terms of the 'free-riding' issue, the Bill will make it a breach of good faith to pass on terms or conditions of a collective agreement to a non-union employee, if the intention and effect is to undermine the collective bargaining. Furthermore, a Supplementary Order Paper proposes amendments to the Bill to allow for a bargaining fee to be paid by employees who are not in a union but whose work falls within the coverage of a collective agreement. The bargaining fee would however apply only under a set of very limited conditions that require employer agreement, agreement by secret ballot, and the ability to 'opt out' by the individual employee. Strikes and lockouts over bargaining fees would not be permitted (Minister for Labour, 13 September 2004)

Business New Zealand mounted a strong campaign of opposition to the Employment Relations Law Reform Bill (ERLRB). They have claimed that the Bill represents an infringement of employer 'rights and freedoms', including what they refer to as 'freedom of speech' - for example, advising 'an employee against joining a collective agreement with the intention of undermining the collective' (BNZ, 2004). The Employers and Manufacturers Association (2004: 2) notes, 'The primary motivation for the Bill is to promote an outdated collective ideology, based on unionism, which no longer has any relevance in 21st century New Zealand, or to the well-informed, well-educated people working in kiwi workplaces'. Given the possibility that a National Government, supported by the business sector, could be elected in 2005, New Zealand unions cannot assume that the provisions of the ERLRB will endure.

Further, recent comments from Opposition Leader, Dr Don Brash about New Zealand's falling behind Australia, and a large wage gap between Australia and New Zealand (estimated to be somewhere of the order of $200 per week per person) raise an interesting discussion. An obvious institutional point of difference between Australia and New Zealand is the award system. Whilst the last decade has seen some downgrading of Australia's award system, it remains a fact that a large number of Australian workers

have their wages and conditions, at least at some minimal level, regulated by this system. In New Zealand, collective bargaining coverage is confined to around 20 per cent of the workforce and is far more common in the public sector than in the private sector. Barry and Wailes (2004:19) note, '…during the course of the 1990s Australia's labour productivity performance has been far superior to that of New Zealand despite the continued role played by Arbitration'. Whether the award system will remain in place in Australia in the wake of the re-election of the Liberal Government remains to be seen.
Some serious challenges remain for New Zealand unions. Membership and bargaining are increasingly a polarised, public sector rather than private sector, activity. Furthermore, the ERA appears to have broken the historical pattern of bargaining leading membership, where unions levered membership growth off a collective agreement. In 2003/04, we find for the first time, that membership figures exceed those of collective bargaining coverage figures. This serves to both narrow and confine unions' sphere of influence to their stronghold areas of the public sector and to a lesser extent manufacturing and transport and storage. Without any mechanism for extending union influence beyond the specific enterprise collective agreement, unions remain trapped in a site-by-site bargaining cycle. The ERLRB looks unlikely to bring relief in this area. The New Zealand economy is currently running at very low levels of unemployment, with significant skill shortages emerging in a number of areas. Although under such circumstances it would normally be anticipated that wages would rise, there is no evidence of a wages boom, certainly not for collectivised workers who on average are receiving increases only slightly above the inflation rate (May, Walsh & Kiely, 2004). Nor have we found any real evidence of a winning back of conditions lost during the ECA (May, Walsh & Kiely, 2004: 13).

In last year's report, we observed that it is understandable, and consistent with historical experience, that unions have looked to government for a legislative fix to their problems. However, we added that 'the historical lesson for unions is that the legislative fix only works if it is sustainable in the long-term under governments of different persuasions. It is not obvious that legislative measures of the kind that would restore union fortunes now and quickly would gain long-term bi-partisan support' (May, Walsh, Harbridge and Thickett, 2003: 324). The debate over the ERLRB suggests that there is little likelihood of long-term bi-partisan support for the measures contained there, although we note that business and the National party originally opposed but now largely support the ERA. As we stressed last year, a restoration of union fortunes, although it can be encouraged by supportive legislation, must depend in the long-term on the development by unions of a strategic direction that is grounded in their own capabilities and which offers them a sustainable path forward. We do not underestimate the magnitude of this challenge, since the current level of trade union capability, even enhanced by the likely provisions of the ERLRB, does not seem to provide a realistic basis for the restoration of union fortunes to anything resembling their pre-ECA level. If this is true, a key challenge for unions is to agree on the degree of recovery that may be possible, and the strategic initiatives that will contribute to this.

References:

Bamber, G. and Lansbury, R. (1998), International and Comparative Employment Relations. London, Sage

Barry, M. and May, R. (2002), 'United we stand, Multiplied we fall: New unions and the New Zealand Employment Relations Act', in McAndrew, I and Geare, A (eds) AIRAANZ 2002: Proceedings of the 16th Association of Industrial Relations Academics of Australia and New Zealand Conference, Queenstown, 5-9 February, Vol. 2, pp 11-18.

Barry, M. and Wailes, N. (2004), 'Contrasting systems? 100 years of Arbitration in Australia and New Zealand', Working Paper 1/04, IRC, Victoria University of Wellington

Crawford, A., Harbridge, R. and Walsh, P. (2000), 'Unions and Union Membership in New Zealand: Annual review for 1999', Working Paper 11/00, IRC, Victoria University of Wellington

Business New Zealand (2004), Business Update Special: Employment Bill - New Obligations on You, New Fines, Your Rights Removed.

Department of Labour (2002), ERA Info, Volume 8, July 2002, Wellington.

Department of Labour (2003), ERA Info, Volume 12, July 2003, Wellington.

Department of Labour (2004), ERA Info, Volume 16, July 2004, Wellington.

EMA (2004), EMA submission on ERLRB, Executive Summary, 29 April, 2004, p 2.

ERS Website, www.ers.dol.gov.nz-union-registration.

Harbridge, R., Hince, K. and Honeybone, A. (1994), Unions and Union Membership in New Zealand: Annual review for 1993, New Zealand Journal of Industrial Relations, 19(2): 175-180.

Harbridge, R., Walsh, P. and Wilkinson, D. (2001), 'Determinants of Union Growth in New Zealand: Ending the Decline', Paper presented to Union Growth Conference, University of Toronto.

May, R., Walsh, P., Thickett, G. and Harbridge, R. (2003), Unions and Union membership in New Zealand: Annual review for 2002, New Zealand Journal of Industrial Relations, 28(3): 314-325.

May, R., Walsh, P., Harbridge, R. and Thickett, G. (2001), Unions and Union Membership in New Zealand: Annual Review for 2001, New Zealand Journal of Industrial Relations, 28(3): 307-322.

May, R., Walsh, P. and Kiely, P. (2004), Employment Agreements: Bargaining Trends and Employment Law Update 2003/2004, Industrial Relations Centre, Victoria University of Wellington.

Thickett, G., Harbridge, R., Walsh, P. and Kiely, P. (2002), Employment Agreements: Bargaining Trends and Employment Law Update 2001/2002, Industrial Relations Centre, Victoria University of Wellington.

Thickett, G., Harbridge, R., Walsh, P. and Kiely, P. (2003), Employment Agreements: Bargaining Trends and Employment Law Update 2002/2003, Industrial Relations Centre, Victoria University of Wellington.

Statistics New Zealand (2002, 2003, 2004), Household Labour Force Survey, unpublished reports, Wellington.

Swain, P. (2004), 'Balanced changes recommended to the Employment Relations Law Reform Bill', Government website, 13 September 2004.

Appendix

Public/Private sector employment breakdown using Quarterly Employment Survey

	Public sector			**Private sector**			**Total**
	female	male	Total (000s)	female	male	total	Total (000s)
Feb 1991	163.6	138.1	301.7	391.8	506.2	898.0	1199.7
Feb 2001	*160.7*	*100.1*	*260.8*	*563.0*	*626.9*	*1189.9*	*1450.7*
Feb 2002			268.2			1231.7	1499.9
Feb 2003			284.3			1271.4	1555.7
% change 1991-2003			-6%			+42%	+30%
B/down 91			25%			75%	100%
B/down 01			18%			82%	100%
B/down 02			18%			82%	100%
B/down 03			18%			82%	100%

See: 'Differences between the QES and HLFS' (Statistics New Zealand) for an explanation of why the HLFS and the QES report different figures. The above figures represent 'filled jobs', ie. people, but establishments employing less than the equivalent of two full time persons are not measured. Hence the private sector figure is likely to be understated.