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Unions and Union Membership in New Zealand: Annual Review for 2008

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Introduction

This report continues the series of annual surveys on trade union membership in New Zealand, which Victoria University of Wellington's Industrial Relations Centre (IRC) began in 1991, when the *Employment Contracts Act* (ECA) ended the practice of union registration and the collection of union data. Although the Department of Labour subsequently recommenced both the process of union registration and the collection of official union data under the *Employment Relations Act (ERA)*, the IRC has continued to conduct its survey of union membership. We are, therefore, able to report on trends in union membership, composition and density from the enactment of the ECA to the present.

In this report, we update our reporting of those trends to include the period extending from December 2006 to December 2008. Between 1991 and 2006, information pertaining to membership of trade unions was compiled through an annual survey carried out by the IRC, with funding from the Public Good Science Fund, administered by the Foundation for Research Science and Technology. Following more than a year without such funding, the IRC has recommenced running that survey and reporting its results with publication of this report. Since the IRC did not conduct a survey in 2007, comparisons in union membership in this document are based on the IRC's 2006 survey data.

Union membership survey

The IRC's union membership survey for 2008 includes those unions registered as at 1 March 2009, as per the Department of Labour's (DOL) list of registered unions reported in the Department's *Union Membership Return Report* 2009 on its website, www.ers.dol.govt.nz/union/registration.html (DOL, 2009a). In late May of 2009, each registered union in New Zealand was sent a survey requesting membership numbers as at 31 December 2008. Thirty-six unions, representing 93 percent of total union membership reported by the New Zealand Department of Labour in its 2009 *Annual Report* (DOL, 2009b), responded. For those that did not, details were obtained from the DOL *Union Membership Return Report* 2009 and the industry distribution for that union was carried over from the data included in the IRC's 2006 union membership survey (DOLc). In addition, to enable comparison and monitoring of trends in future years, the DOL figures reported in the *Union Membership Return Report* 2008 have been added to our database as 2007 data. It is important to note, however, that the DOL survey is for the year ending 01 March, while the IRC survey is to 31 December the previous year.

Ten unions that remain officially registered did not provide survey returns to either the IRC or the DOL for 2008; all have been designated 'inactive' for this report and no membership figures are included for those unions herein. In the time between the 2006 survey and the return of this year's survey, 13 new unions were registered, 12 unions deregistered and a further 2 went into recess, 2 unions (ASTE and AUS) amalgamated to form one union (TEU), and a further union (Clothing,

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Laundry and Allied Workers) merged into another (NDU). In addition, 13 unions did not submit surveys to the DOL for March 2008; these unions remain ‘active’ in our database for 2007 and their membership numbers have been rolled over from our 2006 survey. The total number of unions included in our data is 141 of the 159 unions officially registered with the DOL at 1 March 2009

Trade union membership and density

Table 1 summarises the historical trend in trade union membership and union density in New Zealand from the enactment of the *ECA* in 1991. Under the *ECA*, there was no requirement, let alone official process, of union registration in New Zealand. In addition, some employee organisations included in tallies of union membership in that period were effectively established by employers under the *ECA*. In light of this, and because unions under the *ERA* must be constituted and operate ‘at arm’s length from any employer’, one would expect members of employer-dominated organisations not to have been counted in union membership tallies for the past decade. For these reasons, though, union membership totals given in Table 1 for the 1990s are not directly comparable to those for later years.

Table 1: Trade Unions, Membership and Union Density 1991-2008

Year	Union membership	Number of unions	Potential union membership		Union Density	
			Total employed labour force[2]	Wage and salary earners[2]	(1) / (3) %	(1) / (4) %
	(1)	(2)	(3)	(4)	(5)	(6)
Dec 1991	514325	66	1509400	1199000	34.1	42.9
Dec 1992	428160	58	1514200	1190500	28.3	36.0
Dec 1993	409112	67	1545400	1215300	26.5	33.7
Dec 1994	375906	82	1612000	1269600	23.3	29.6
Dec 1995	362200	82	1686600	1331700	21.5	27.2
Dec 1996	338967	83	1741200	1375100	19.5	24.7
Dec 1997	327800	80	1750600	1401700	18.7	23.4
Dec 1998	306687	83	1739300	1387000	17.6	22.1
Dec 1999	302405	82	1766400	1395600	17.1	21.7
Dec 2000	318519	134	1800000	1425200	17.7	22.3
Dec 2001	329919	165	1846100	1482200	17.9	22.3
Dec 2002	334783	174	1906500	1540100	17.6	21.7
Dec 2003	341631	181	1955900	1579700	17.5	21.6
Dec 2004	354058	170	2024100	1637900	17.5	21.6
Dec 2005	377348	175	2084800	1702100	18.1	22.2
Dec 2006	382538	166	2134700	1759700	17.9	21.7
Mar 2008[1]	373327	147	2173000	1792000	17.2	20.8
Dec 2008	384777	141	2188200	1811200	17.6	21.2

Source: HLFS-Persons Employed by Sex by Employment Status (Annual-Dec)-Table Ref. HLF005AA; Industrial Relations Centre Survey, 2008

Note: 1. The 2007 figures are from the DOL Union Membership Return Data; HLFS-Persons Employed by Sex by Employment Status (Annual-March)-Table Ref. HLF002AA
2. Figures in column 3, 4, 5 & 6 are different from those reported in previous years due to the population rebase by Statistics New Zealand to take account of the latest census results.

Union membership counts offer an indication of the absolute power of unions and their power relative to business and government. Nonetheless, as a measure of relative rather than absolute size, union density rates are better suited to making comparisons between sectors than are absolute membership figures. Union density expresses trade union membership as the proportion of potential union members who belong to a union. What constitutes potential union membership, however, is not always entirely clear. For instance, if union membership is measured against the total employed labour force, then only employed union members should be included in the numerator of the union density fraction. Yet, some unions count self-employed individuals, those that have retired, and others not currently in the labour force amongst their membership.

In New Zealand, the relevant workforce would seem to encompass all wage and salary earners, even though the self-employed, unpaid family members, and other groups of workers, who are very unlikely to be union members, are included among wage and salary earners. In spite of this, we provide union density figures based on both the total number of wage and salary earners and the total employed labour force in this report.

As can been seen in Table 1, both total union membership and overall union density in New Zealand decreased markedly, commencing in May 1991, with enactment of the *ECA*. During the era of the *ERA*, although never coming close to achieving its pre-ECA level, union membership has, for the most part, continued to increase each year over that preceding it. Union density, on the other hand, has remained relatively constant around 21 or 22 percent of wage and salary earners and between 17 and 18 percent of the total employed labour force since October 2000, when the *ERA* was enacted.

As shown in the third column of Table 1, the number of trade unions in New Zealand has also changed over the last 20 years, as single enterprise unions have come and gone, long-standing unions have merged, and new unions have come into existence. At the end of 2008, there was a total membership of around 385,000 across 141 unions in New Zealand. Nearly half (43 percent) of registered unions at that time had fewer than 100 members; the median number of members per union was 145. The ten largest unions accounted for more than three quarters (77 percent) of total union membership.

The number of wage and salary earners in the country's economy increased by 2.9 percent, from 1,759,700 in 2006 to 1,811,300 in 2008. The number of union members in New Zealand increased in that time from 382,538 to 384,777, a mere 0.6 percent. Union density dropped slightly over that period but continued to hold at just over 21 percent of wage and salary earners. In the nine years between December 1999 and December 2008, union membership increased by 27 percent, which has lagged behind a 30 percent increase in the number of wage and salary earners. Hence, union density has experienced a slight drop under the *ERA*. Overall New Zealand union density at Dec 2008 was lower than its lowest levels during the period of the *ECA*.

Union membership and wage and salary employment by industry

This section of the paper provides a summary of wage and salary earners and union members according to the Australia New Zealand Standard Industry Classification (ANZIC) during the year to December 2008 in an effort to highlight areas of relative union strength and weakness. As shown in Table 2, union membership remains concentrated in particular sectors, and there continues to be wide variation in union membership according to industry. Despite a small decline in these areas, union density remains high in the public sector and parts of the private sector in which unions have traditionally been strong, in particular manufacturing, and transport and storage. Moreover, despite minor year-to-year shifts, there has not been sufficient change or enduring growth over the past 10 years in any area to suggest established patterns of union membership are changing significantly.

The largest increases in union membership in the two years to December 2008 were in mining (55.5%) and related services industry groups, government administration and defence (38.6%). Both of these groups experienced big increases in union membership despite a decrease in the number of wage and salary earners in each sector. The energy and utility services, construction and building services, and finance, insurance and business services, likewise, each experienced between 20 and 25 percent growth in union membership, in all of these industry groups, well beyond the growth in the number of wage and salary earners.

All other industry groupings currently register fewer than 20,000 members, with several sectors having fewer than 5,000 members. For example, only 19,500 members of the total retail, wholesale, restaurants and hotels labour force of 424,400 (the largest private sector grouping) are unionised.

Finally, unions representing workers in finance, insurance and business services appear to have stemmed the tide of membership decline we have reported in previous years, nearly 1 percent growth in the two year to December 2008.

Table 2: Distribution of union members and wage and salary earners across industry sectors

Industry Grouping	Union Membership Dec 2006	Union Membership Dec 2008	Change in membership 2006-2009 (No.)	(%)	Wage and Salary Earners 2008 (000)	Change in wage and salary earners 2006-2008 (%)
Agriculture, fishing, forestry etc	3015	3295	280	9.3%	81.7	-0.7
Mining and related services	1436	2233	797	55.5%	5.2	-22.4
Manufacturing	75588	66939	-8649	-11.4%	249.2	2.4
Energy and utility services	3346	4195	849	25.4%	11.6	38.1
Construction & building services	5555	6779	1224	22.0%	122.1	-7.5
Retail, wholesale, restaurants, hotels	18335	19485	1150	6.3%	424.4	3.5
Transport, storage and communication	42538	37674	-4864	-11.4%	107.6	3.3
Finance, Insurance and business services	10934	13253	2319	21.2%	239.1	0.9
Personal and other services	18278	8079	-10199	-55.8%	127.2	10.3
Public and community services	203513	218575	15062	7.4%	443.1	4.2
Govt admin and defence	*33049*	*45821*	12772	38.6%	82.9	-6.9
Education	*81070*	*84886*	3816	4.7%	168.8	9.5
Health and community services	*89394*	*87868*	-1526	-1.7%	191.4	5.1
No Industry [1]	*NA*	*4270*	*NA*	*NA*	*NA*	*NA*
TOTAL	382538	384777	2239	0.6%	1811.2	2.7

Source: Household Labour Force Survey: Industrial Relations Centre Survey, 2008
Note: 1. Union Members not allocated to particular industries.

At the other end of the spectrum, unions in the energy and utility services industry experienced substantial membership growth (25.4%) since the end of 2006, but that increase fell well short of the total growth in salary and wage earners in the sector (38.1%) in that timeframe. This has resulted in a 4 percent reduction in union density (see Table 3) in that sector. Manufacturing and the transport, storage and communication industry groups also experienced falls in union membership (11.4%) in the two years to the end of 2008. The largest drop in union membership, though, was in the personal and other services industry; union membership in that industry fell by more than half (55.8%) in 2007 and 2008.
In spite of the growth in union membership under the *ERA*, union density has remained relatively stable, typically in the range of 17 to 18 percent of the total employed labour force and between 20 to 22 percent of wage and salary earners, in that time. Overall union density has not increased, due in large measure to a concomitant and commensurate increase in both the total number of people employed and the number of wage and salary earners in New Zealand since 2000.

In our review for 2005, we reported on the largest single increase in union membership since the IRC surveys began, 6.6 percent (23,290 members). Whereas in 2005 union membership outstripped growth in wage and salary earners, in the two years to December 2008, union membership again fell behind the growth in wage and salary earners, leading to a small decline (0.5%) in union density to 21.2 percent, from 21.9 percent. Overall union density has remained within the narrow range of 21 to 22 percent since 1998, indicating a remarkable level of stability. The data presented in the fourth column in Table 2, however, illustrate that each industry's contribution to the change (loss or gain) in total union membership also varied widely between December 2006 and December 2008.

What is clear from the data in Table 2 is that union membership is increasingly concentrated in public and community services jobs, with some 57 percent of all union members working in those sectors. In 2004, just over half of all union members in New Zealand were employed in public and community services. Four years later, 45 percent of all union members in New Zealand worked in either the education or health sector, with government services and defence accounting for an additional 12 percent of the unionised workforce. The next two highest concentrations of union membership in December 2008 were in manufacturing (18 percent in 2008, down from 20 percent in 2004) and the transport, storage and communication sector (10 percent, down 1 percentage point from 2004). All other industry groups together made up only 15 percent of total union membership at the end of 2008.

Figure 1 highlights the distribution of wage and salary earnings across industry groups as at December 2008. The largest share and, hence largest number, of New Zealand wage and salary earners were found in public and community services (25%; 443,100 employees); retail, wholesale, restaurants, and hotels (23%; 424,400 employees); manufacturing (14%; 249,200 employees); and finance, insurance and business services sectors (13%; 239,100 employees). The largest increases in the number of wage and salary earners in the two years to December 2008, as shown in the last column of Table 2, were in energy and utility services (38.1%) and personal and other services (10.3%).

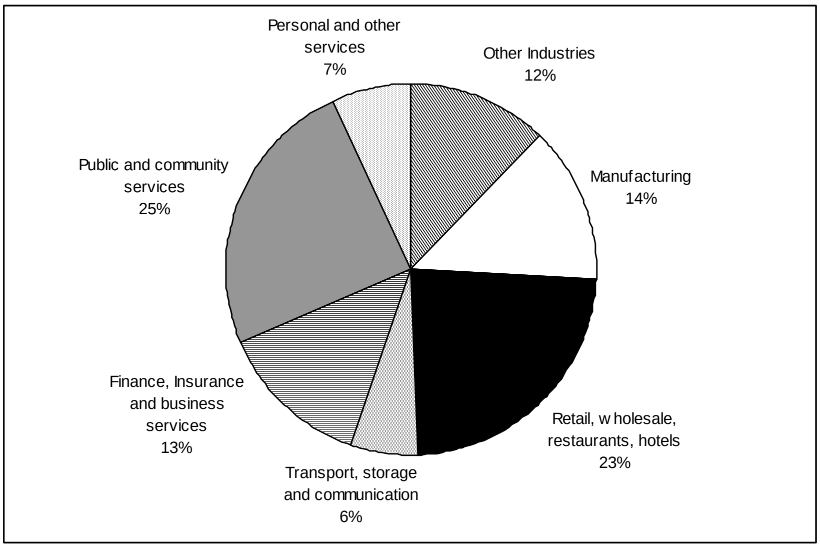

Figure 1: Distribution of wage and salary earners across industry sectors
Source: Statistics New Zealand HLFS 2008.

As depicted in Figure 2, although there also continues to be wide variation across industry sectors in union membership which does not closely reflect the distribution of wage and salary earners shown in Figure 1. To that end, union membership was overwhelmingly concentrated in public and community services (218,600 members), followed by manufacturing (66,900 members) and transport, storage and communication sectors (37,700 members). Together, the two industry groups, having experienced the largest increases in wage and salary employment since the end of 2006 – public and community services and energy and utility services and personal and other services, presently account for nearly one-third of total New Zealand union membership. With some 57 percent of all union members, public and community services remain the contemporary union heartland, having passed the traditional union stronghold of manufacturing long ago, under the *ECA*.

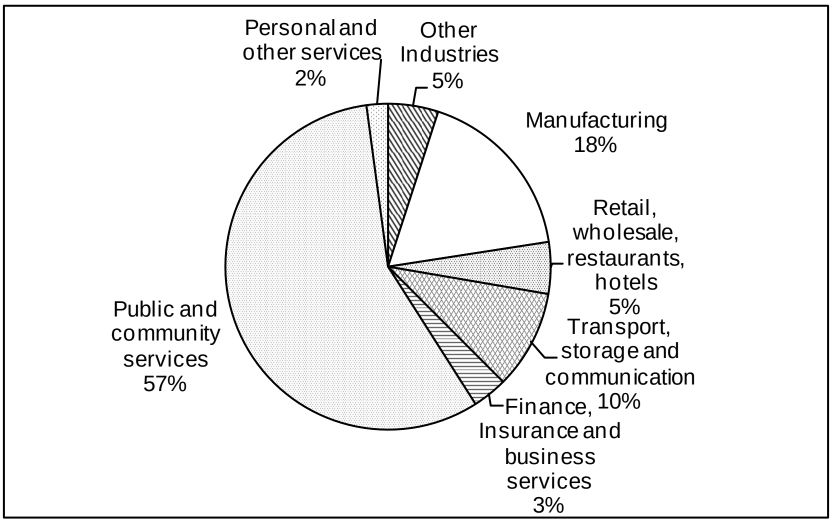

Figure 2: Distribution of union members across industry sectors
Source: Industrial Relations Centre Survey 2008.

Table 3 summarises how union density has changed according to industry grouping since December 2006. The number of wage and salary earners in mining and related services has fallen since 2006. This decline in potential union members contributed to the significant increase in union density in this sector in the two years to December 2008 shown in Table 3. The other industry group to experience a substantial increase in union density over the previous two years is government administration and defence, in which 37 percent of wage and salary earners in this industry were union members in 2006 and, by December 2008, this figure had risen by almost 20 percentage points to 55 percent. Union density in the manufacturing sector has fallen by nearly 5 percentage points to just under 27 percent; this figure has fluctuated, though, between 27 and 31 percent over the last few years and is, therefore, not indicative of a declining trend. A trend of declining union density is evident, however, in the energy and utility services, where it peaked at 52 percent in 2004, only to decline over the next 2 years. Nevertheless, this trend does appear to have levelled off over the past 2 years.

Table 3: Change in union membership across industry groupings

Industry Group	Approx. density 2006 (%)	Approx. density 2008 (%)
Agriculture, fishing, forestry etc	3.7	4.0
Mining and related services	21.4	42.9
Manufacturing	31.3	26.9
Energy and utility services	39.8	36.2
Construction & building services	4.2	5.6
Retail, wholesale, restaurants, hotels	4.5	4.6
Transport, storage communication	40.8	35.0
Finance, insurance & business services	4.6	5.5
Personal and other services	15.9	6.4
Public and community services	47.8	49.3
Govt administration & defence	*37.1*	*55.3*
Education	*52.6*	*50.3*
Health & community services	*49.1*	*45.9*

Source: Industrial Relations Centre Survey, 2008

In our union membership surveys, we ask our union respondents how many of their members work in the private and public sectors, respectively. This year, as we did in 2006, we have included the additional ‘not-for-profit’ category (4,783 union members). It should be noted, however, that union members identified as being in the not for profit sector in 2008 were likely identified as being in the private sector in the past. Not surprisingly, then, as union respondents had previously included these members in one of these two sectors, this inclusion has had a corresponding impact on the figures for private and public sectors.

The public/private sector divide

Table 4 shows that the small (0.5%) increase in aggregate union membership across all sectors of New Zealand’s labour market between December 2006 and December 2008 (shown in Table 1) occurred as a result of a 1.6 percent increase in union membership in the public sector. On the other hand, union membership in the private sector fell by nearly 4.6 percent over that period. To the extent to which membership numbers, i.e., not the members themselves, have shifted from the private to the not-for-profit sector, the actual decrease in union membership in the private sector in the two years to December 2008 was closer to 1 percent. As can be seen in Table 4, the public sector retains the majority of all union members, with a much higher density (see Table 5).

Table 4: Public, private union membership

Sector	Dec-06	Dec-08	Change 06-08	Change 06-08 %
Private Sector	180360	172431	-7929	-4.6
Public Sector	197395	200711	3316	1.6
Not for profit[1]	4783	11635	NA	NA

Source: Industrial Relations Centre Survey, 2008

1. There are major differences in the reporting and analysis of the not for profit union membership which makes comparison difficult. The 2008 figures will be used as a base for future survey comparison.

The relative strength of New Zealand public sector unionisation and the weakness of its private sector unionisation are best seen in comparison with other Anglo-Saxon nations, shown in Table 5. In other industrially developed countries, the exception being the United States, regularly published union membership data emanate from union reports – either in compliance with a statutory requirement and supplied by unions or provided on a voluntary basis to government statistical agencies, which then compile and publish the data. In fact, prior to 1980, the US Bureau of Labor Statistics (BLS) reported data obtained directly from unions in response to a biennial questionnaire.

Table 5: Public/private sector union density – international comparisons

Country	Union density	Public sector	Private sector	Public/Private Ratio
New Zealand[1]	21	62	12	5.2
Australia[2]	19	42	14	3.0
UK[3]	25	57	16	3.7
USA[4]	12	37	8	4.6
Canada[5]	29	71	16	4.4

Sources:

1. Statistics NZ, QES, Dec 2008b Industrial Relations Centre Survey, 2008b.
2. Australian Bureau of Statistic, Table 63100Ts0001, published in April 2009.
3. Department of Business Enterprise and Regulatory Reform, TRADE UNION MEMBERSHIP 2008, April 2009 (Barratt, 2009).
4. United States Department of Labor (Bureau of Labor Statistics, January 28, 2009).
5. Statistics Canada, (Perspectives on Labour and Income, August 2008).

As is true of the data we report, union membership data gathered in other countries, regardless of their source, are subject to reporting errors. With specific regard to membership counts provided by individual unions, though, many unions have difficulty keeping accurate and up-to-date records of their membership. Members who have left the union for one reason or another may not be deleted from the records for some time as employers are not required, unless by agreement with the union, to inform the union of those members who leave the organisation's employ. This also points to the very real possibility that, if some or all of those members join another union, they may be counted in each for a period of time.

Another factor to consider in this regard is that self-reported membership numbers may reflect institutional or even political biases and may yield unreliable results. To that end, unions may overstate or understate their membership figures to influence policy-makers. In addition, different unions may apply different norms regarding who is considered a member and some may be slow to remove those who have left the union or simply ceased paying their subscriptions. To this end, they may also include people who no longer consider themselves union members. Therefore, membership reports by unions in all countries are subject to inaccuracies. Yet, notwithstanding these potential sources of bias, comparisons in other national and international contexts with data on union membership derived from other sources suggests that, while some overstatement in self-reported union membership by trade unions is common, for the most part, it is inconsequential (ILO, 1997)

With these caveats in mind, the data reported on Table 5 appear to indicate that the public/private sector union membership ratio continues to be higher in New Zealand than in other Anglo-Saxon countries. A slightly higher proportion of New Zealand's labour force is unionised than is the case in

Australia, but New Zealand union density lags behind that in both the UK and Canada – the only country listed in Table 5 with a higher public sector union density than New Zealand. Union density in New Zealand's private sector, though, is low relative to most other English-speaking countries, the one key exception to this being the US. A regeneration of private sector membership, in particular, remains a major challenge for New Zealand unions.

Trade union numbers, distribution of membership by size, gender and affiliation

Table 6 shows the number of identifiable trade unions, categorised by size, at the commencement and conclusion of the *ECA* period (1991 and 1999, respectively), and under the *ERA* as at December 2006 and December 2008. The clearest effects of regulatory regimes on the industrial relations landscape in New Zealand are in relation to the number of trade unions. Union amalgamations followed the *Labour Relations Act (LRA) 1987* requirement that unions have a minimum membership of 1000. This produced a dramatic drop in trade union numbers from 259 in 1985 to 104 in 1990. The abolition of registration provisions under the *ECA* made identification of unions difficult, but estimates suggest there was a further decline in numbers during this period. Reversing this decline, the *ERA*'s requirement that only registered unions can participate in collective bargaining, and the setting of a low membership threshold for registration at 15 members, has seen the number of registered unions more than double. Refer to Table 1 for the number of trade unions for all years from 1991 onwards.

Although the ERA has seen a growth in the number of unions, most new unions are small, enterprise or workplace based and do not see themselves as unions in the traditional sense. Many exist solely for the purposes of negotiating a collective agreement, and they tend to have extremely limited resources. Moreover, their entry has done little to change the distribution of union membership. As depicted in Table 6, small unions (those with fewer than 1000 members) still only account for 4 percent of overall membership, and large unions (those with more than 10,000 members) account for more than three-quarters of all membership in New Zealand. It is also these large, well established, and better resourced unions that account for most of the membership growth under the ERA.

Table 6: Membership by union size 1991 – 2008, selected years

Membership	Dec 1991			Dec 1999			Dec 2006			Dec 2008		
range	#	Members	%	#	Members	%	#	Members	%	#	Members	%
Under 1000	4	2750	1	48	12703	4	129	20358	5	105	17112	4
1000 - 4999	39	87119	17	22	43709	14	22	53199	14	23	52044	14
5000 - 9999	9	76489	15	3	19669	7	5	38375	10	3	20149	5
10000+	14	347967	68	9	226324	75	8	270606	71	10	295472	77
Totals	66	514325	100	82	302405	100	166	382538	100	141	384777	100
Av. Size		7793			3688			2437			2729	

Source: Industrial Relation Centre Surveys 1991, 1999, 2006 and 2008.

As we have reported in the past, there is an increasing concentration of union membership into larger unions. We noted earlier in this document that 77 percent of union members are now in unions of more than 10,000 members and Table 6 shows that there has also been an increase in the number of unions in this level (8 in 2006 to 10 in 2008). There has been a large decrease in the number of unions with under 1000 members since December 2006 and it is this group that is contributing to the overall reduction in the number of unions registered in New Zealand.

The gender composition of New Zealand's union membership has changed considerably since the era of predominantly male, full-time employment. The data in Table 7 shows this trend for the years 2004, 2006 and 2008. As has been the case for most of the *Employment Relations Act* era, women comprised the majority (55.3%) of union members in 2008, although they constituted only 46.5 percent of the country's labour force (Statistics New Zealand, 2008a). The proportion of union members who are female has steadily increased over the previous 4 years. Factors contributing to this change include the high representation of women in public and community services and the decline in traditionally unionised areas of male employment, such as manufacturing and mining.

Table 7: Female union membership 2004-2008

Year	%Female
2004	52.0
2006	54.9
2008	55.3

Source: Industrial Relations Centre Surveys 2004, 2006 and 2008

The number of CTU affiliated unions dwindled throughout the 1990s, from 43 in 1991 to 19 in 1999; the proportion of union members covered by CTU affiliates also declined, from 86.5 percent to 78 percent. In the wake of the *ECA*, the New Zealand union movement fell into some disarray, which saw the emergence of a second central trade union organisation in May 1993. The Trade Union Federation (TUF), however, never threatened the New Zealand Council of Trade Unions' (CTU) position as the primary national body for trade union organisations. At its peak membership, in 1995, its affiliates represented only 7 percent of reported total union membership, while the CTU's affiliates accounted for 79 percent of union members in New Zealand at that time.

In fact, the impact of the *ECA* and, in particular, the ability of employers to establish their own 'in-house'/unions under that Act is likely to have had a far greater effect on the share of the unionised workforce covered by CTU affiliates during the 1990s. To that end, following the 1999 election of a Labour-led government and the introduction of the ERA, the TUF was disestablished and the unions which remained affiliated rejoined the CTU.

As can be seen in Table 8, the number of unions affiliated to the CTU has risen under the *ERA* to 37 (of the 159 registered unions in New Zealand) in 2008 while the proportion of union members belonging to CTU affiliates has increased to 89.4 percent. However, with 333,395 members, CTU affiliates have close to 90 percent of total union membership and represent 18 of the 20 largest unions in New Zealand. This proportion has been more or less consistent throughout the period of the *ERA*.

Table 8: NZCTU affiliation 1991 – 2008

Year	NZCTU Affiliate unions	Members	Percentage of total m'ship in CTU affiliates
1991	43	445116	86.5
1992	33	339261	79.2
1993	33	321119	75.8
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
2000	26	273570	85.9
2001	32	289732	87.8
2002	34	293466	87.7
2003	36	297440	87.1
2004	38	310451	87.7
2005	37	333395	88.4
2006	39	340281	88.9
2007	38	330130	88.7
2008	37	343017	89.4

Source: Industrial Relations Centre Surveys 1991-2008

Discussion

Despite retention of many changes ushered in with the *ECA 1991* that could potentially undermine unions' organising effectiveness, such as voluntary unionism, enterprise-based bargaining, and extension of personal grievance procedures to non-union workers, it did not seem unreasonable to expect that the *ERA* would have a positive effect on unionisation. For one, by restricting collective bargaining to registered unions, the *ERA* returned to unions the exclusive right to negotiate collective agreements, a right they had enjoyed for nearly 100 years prior to enactment of the *ECA*. In addition, the *ERA* offered unions access to workplaces, including those without union members, and it provided for employment relations education leave, effectively supporting union delegates in their role.

It would appear, at least on the face of it, that membership in New Zealand trade unions has, in fact, grown incrementally, albeit slightly, since the late 1990s. This picture of relatively stable growth, however, belies considerable variation among industry sectors as well as in the fortunes of New Zealand's trade unions in different sectors. For instance, two unions with strong representation in the health and community services sector have experienced significant growth in membership numbers since December 2006, yet union density in the health sector as a whole declined in that period. A similar picture emerges in the education sector. With the addition of 3300 more members by the end of 2008, one of the largest unions experienced the highest absolute growth in union membership of any union in New Zealand over the previous two years. In spite of this, the rate of growth of wage and salary workers – the denominator in our union density fraction – outstripped growth in union membership across the broader education sector.

Overall, increases in membership numbers in some sectors have been offset by commensurate losses in other sectors, in particular, in the traditional union strongholds of manufacturing and transport, storage and communications. In addition, while union membership numbers have increased, they have barely kept pace with the increasing number of workers entering the labour force over the past decade. Hence, union density has remained relatively constant across the country's labour market under the *Employment Relations Act (ERA) 2000*. This is somewhat surprising in light of the predicted favourable effect of that legislation on union organising efforts.

In sum, overall union density has, for the most part, remained within the narrow range of 21 to 22 percent for the past decade, indicating a remarkable, and somewhat unexpected, level of stability. New Zealand unions experienced a small increase in union membership (0.5%) between 2006 and 2008, but that growth was more than offset the much larger (2.9%) increase in the number of potential union members, all wage and salary earners in New Zealand. Union membership also remains concentrated in particular sectors. To that end, there is a considerably greater degree of unionisation in the public sector and amongst a few particular industries (manufacturing, and transport and storage) in the private sector. These are areas of traditional union strength and existed as such prior to the *ERA*. Although annually there are minor changes, there has not been sufficient change or enduring growth to suggest established patterns of union membership growth or decline are changing significantly.

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