

Unions and Union Membership in New Zealand: Annual Review for 2001

Robyn May, Pat Walsh, Raymond Harbridge and Glen Thickett*

Introduction

This paper reports the results of Victoria University's Industrial Relations Centre's survey of trade union membership for 2001 in New Zealand. The survey carries on from our earlier surveys conducted by the Industrial Relations Centre since 1991. As with the 2000 report, 2001 also reports an increase in union membership and density, albeit at a slightly lower rate. Union membership for the year to December 2001 rose 3.6 percent, with the number of unions rising to 165. The percentage of wage and salary earners who are unionised is now 22 percent.

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. 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. This year we ask an additional question on whether unions collect statistics on the ethnic background of their membership.

* Robyn May, Pat Walsh and Glen Thickett are Senior Research Fellow; Professor of Human Resource Management and Industrial Relations; and Research Fellow, all of the Industrial Relations Centre, Victoria University of Wellington. Raymond Harbridge is Professor of Management and Head of School, Graduate School of Management, La Trobe University, Melbourne. 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. VIC903). The authors are grateful to Catherine Otto for research assistance and would like to thank all the union officials who assisted with this research.

The Employment Relations Act 2000 (ERA) requires unions to submit an annual return of members to the Registrar of Unions, stating the number of members as at 1 March of each year. The return to official collection of data on union membership began in 2001.

For our survey this year we included only those unions deemed to be registered as at 31/12/01, as per the Department of Labour website of registered unions (see www.ers.dol.gov.nz-union-registration). At the end of 2001 registered unions numbered 166. One union advised us they had disbanded taking the number to 165. In February, each of the registered unions was sent a survey requesting information on membership numbers as at 31 December 2001. Three further follow up mail-outs resulted in a total of 120 returns. A further 17 returns were elicited by telephone and 28 non-respondents were estimated by using newspaper articles, last year's return where applicable and in the case of nine newly registered unions their membership was assumed to be the minimum 15.

The Employment Relations Act and Trade Union Registration

The ERA's explicit promotion of collective bargaining and "good faith employment relations" attempts to restore some measure of fairness and equity to the regulation of employment relations. 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 s.14 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" (s.14(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. These coverage clauses will apply to any future employees, presumably giving unions

an advantage in workplaces where turnover is high, although the Act requires that a new employee be covered by the terms of the relevant workplace collective agreement during their first 30 days of employment, irrespective of union status.

Results: Union numbers and membership

The 165 registered unions identified in our survey had a combined membership of 329919 as at 31 December 2001. This represents an increase of 11400 or 3.6 percent over the course of the year.

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 as results can be compared year on year. Previously, our surveys have reported density using the total employed labour force as the denominator. This category includes employers, self-employed and unpaid family members, many of whom do not usually represent potential union members. We also report density based on wage and salary earners only and provide figures for previous years as a point of comparison.

The rises in membership for 2001 edges just slightly ahead in the growth in the labour force, hence union density is only very slightly up on last years' reported figures. The total labour force grew at 2.2 percent and wage and salary earners component grew at 3.2 percent (see Household Labour Force Survey, Statistics New Zealand, 2002).

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 best and only documented estimates available. It is noteworthy that the estimated number of unions remained very stable between 1994 and 1999.

Table 1: Trade Unions, Membership and Union Density 1985-2001 (selected years)

	Union membership	Number of unions	Potential union membership		Union density	
			Total employed labour force	Wage and salary earners	(1) / (3) %	(1) / (4) %
			(3)	(4)	(5)	(6)
Dec 1985	683006	259	1569100	1287400	43.5	53.1
Sep 1989	684825	112	1457900	1164600	47.0	55.7
May 1991	603118	80	1426500	1166200	42.3	51.7
Dec 1991	514325	66	1467500	1153200	35.1	44.6
Dec 1992	428160	58	1492900	1165700	28.7	36.7
Dec 1993	409112	67	1545400	1208900	26.5	33.8
Dec 1994	375906	82	1629400	1284900	23.1	29.3
Dec 1995	362200	82	1705200	1337800	21.2	27.1
Dec 1996	338967	83	1744300	1389500	19.9	24.4
Dec 1997	327800	80	1747800	1404100	18.8	23.3
Dec 1998	306687	83	1735200	1379200	17.7	22.2
Dec 1999	302405	82	1781800	1414100	17.0	21.4
Dec 2000	318519	134	1818400	1454500	17.5	21.9
Dec 2001	329919	165	1860700	1500700	17.7	22.0

Source: Household Labour Force Survey, Table 3, Table 4.3 (unpublished)
Industrial Relations Centre Survey

(Notes: Total employed labour force includes self-employed, employers and unpaid family workers. Column 5 figures in italics are different to those previously reported due to a revision of Labour force figures in 1997 by Statistics New Zealand)

The ERA requirement that only registered unions can participate in collective bargaining, combined with a low membership threshold for registration at 15, has seen a virtual doubling in the numbers of unions in the last two years (see Table 1 above). As Table 2 shows, the numbers of unions with less than 1000 members has almost tripled in number. However this has not substantially altered, since 1999, the distribution of membership by union size. Small unions (with less than 1000 members) still only account for six percent of overall membership, up from four percent in 1999, and large unions (more than 10000 members) account for 71 percent of all membership, slightly down from 75 percent in 1999. Of the total membership increase since 1999, new unions (that is unions registered and incorporated after 2000) account for 19 percent of the increase. Overwhelmingly, membership increases are as a result of growth in the

large established unions. One consequence of the rise in union numbers is that the average union size has declined substantially, down to 2000 members in 2001, from 7,793 members in 1991 (Harbridge, Hince and Honeybone, 1994).

Closer examination of the new unions, that is those unions whose formal existence is closely linked to the ERA, has found that the majority are enterprise or workplace based, a new phenomenon for New Zealand unionism. Furthermore many of the new unions were found to be formalisations of existing workplace consultative mechanisms that had been set up to fill "bargaining gaps" left during the ECA. Such organisations often do not see themselves as unions and as a number of them explained on survey returns, "the ERA forced us to become a union" (Barry and May, 2002: 17).

Table 2: Membership by union size (1999 to 2001)

M'ship Range	Dec 1999			Dec 2000			Dec 2001		
	No.	Members	%	No.	Members	%	No.	Members	%
Under 1000	48	12703	4	101	17894	6	131	18616	6
1000-4999	22	43709	14	21	44568	14	22	46178	14
5000-9999	3	19669		3	20260	6	4	29507	9
	7								
10000+	9	226324	75	9	235797	74	8	235618	71
Totals	82	302405	100	134	318519	100	165	329919	100
Av. Size		3688			2377			2000	

Source: Industrial Relations Centre Survey

Even with the rush of new small unions the data in Table 3 shows that the concentration of union membership in the top 10 largest unions remains unchanged from the previous few years at 77 percent. This tendency for membership to be concentrated in the largest 10 unions was in part a consequence of the 1000 member rule introduced through the Labour Relations Act (LRA) in 1987. The LRA set in motion a process of union amalgamations and mergers which bore fruit in the 1990s leading to a high degree of union concentration. This concentration was further assisted by the collapse of many unions under the ECA. Between 1984-1991, the largest 10 unions represented around 45 percent of all union members. By 1994 the largest 10 unions represented 70 percent of all union membership (Harbridge, Hince and Honeybone, 1994) and concentration has remained high since.

Table 3: Membership of Largest 10 Unions (various 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

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

Table 4: Union Membership change by Industry (2000 and 2001)

Industry Group	Dec 2000	Dec 2001	Change 2000-2001 (%)
Agriculture, fishing, forestry etc	2312	2071	-10.4
Mining and related services	752	1017	35.2
Manufacturing	71162	75071	5.5
Energy and utility services	3843	5273	37.2
Construction & building services	4009	4728	17.9
Retail, wholesale, restaurants, hotels	14413	15242	5.8
Transport, storage and communication	36895	32950	-10.7
Finance, Insurance and business services	14341	15543	8.3
Public and community services	170792	178033	4.2
TOTAL	318519	329919	3.6

Source: Industrial Relations Centre Survey

Results: Union membership by industry

Table 4 examines where gains and losses in membership by industry at two digit level (classified according to the Australia New Zealand Standard Industry Classification) have occurred. The largest gains have occurred in sectors where the labour force and membership is very low (in the case of mining and related services and energy and utility services) and in the case of construction, where membership was starting from a very low base (see Table 6). Losses in membership occurred in agriculture and in transport, storage and communication sector. All other sectors made gains in membership above the overall rate of membership increase.

Table 5: Union membership and growth by industry 2000

Industry Group	Union m'ship 2001	M'ship by industry %	Breakdown of new members 2001 %
Agriculture, fishing, forestry etc	2071	0.6	-2.1
Mining and related services	1017	0.3	2.3
Manufacturing	75071	22.8	34.3
Energy and utility services	5273	1.6	12.5
Construction & building services	4728	1.4	6.3
Retail, wholesale, restaurants, hotels	15242	4.6	7.3
Transport, storage and communication	32950	10.0	-34.6
Finance, Insurance and business services	15534	4.7	10.5
Public and community services			
• Govt admin and defence	29476	8.9	2.6
• Education	71367	21.6	38.5
• Health and community	58933	17.9	26.4
• Other services	18257	5.5	-4.0
TOTAL	329919	100	100% (11400)
Membership private sector	159577	48.4	
Membership public sector	170342	51.6	

Source: Household Labour Force Survey
Industrial Relations Centre Survey

Table 5 shows that trade union membership is concentrated in just a small number of industry sectors. Three industry sectors account for 87 percent of all union members. In terms of membership increases for 2001 the vast bulk of these are accounted for in education, health (disaggregated from the public and community services sector category) and manufacturing. This year a number of other sectors have also made contributions to overall membership increases, including construction. Although the construction sector comes from a very low base in terms of union density (see Table 6), it appears to have benefited from a strong recruiting drive coordinated by the New Zealand Council of Trade Unions (CTU) within the industry. This drive was specifically designed to address the very issue of low density. This sector is also important in that unlike manufacturing and public and community services it is growing at a rate faster than the overall labour force (see Table 7). Of concern for unions though is the fact that their two biggest strongholds, the public sector and manufacturing, are both in long-term decline as employers (see Table 7 and Appendix). Unions in the public sector have no doubt benefited from growth in public sector employment, specifically in education where the labour force grew by eight percent and health and community services here the labour force grew by 22 percent, over the last 12 months (Statistics New Zealand 2002). However it seems highly unlikely that employment levels in this sector will return to they heydays of the 1980s and before.

It is commonly noted that, internationally trade union membership has remained stronger in the public than in the private sector. This is also true of New Zealand. We also asked respondents to allocate their membership between the public and private sectors. Table 5 shows that approximately 52 percent of union members are in the public sector and approximately 48 percent in the private sector. However, as in other countries, the public sector share of the New Zealand labour force has declined steadily (from 25 percent to 18 percent) over the last decade.

Tables 6 and 7 allow comparisons between union strongholds and the areas of the labour force that have grown over the last decade. The finance, insurance and business services sector has experienced by far the largest growth with its labour force increasing by 64 percent, that is at a rate twice as fast as the labour force overall. The other sectors that grew faster than the labour force as a whole are retail, wholesale, restaurant and hotels (32 percent) and construction and building services (30 percent). The state of trade unionism in these growth sectors is mixed. Table 6 shows that union density in the finance, insurance and business services sector is 6.4 percent. In the retail, wholesale, restaurant and hotels sector, union density is just 3.7 percent. In construction and building services, union density is 4.1 percent, up from 3.5 percent in 2000, although still at very low levels historically (figures for 1991 record construction sector density as 16 percent – see Harbridge, Hince & Honeybone, 1994: 3).

Table 6: Density by industry, selected industries: 2000, 2001

	Approx. density 2000 (%)	Approx. density 2001 (%)
Manufacturing	25.2	25.6
Construction & building services	3.5	4.1
Retail, wholesale, restaurants, hotels	3.6	3.7
Transport, storage communication	32.4	29.5
Finance insurance & business services	6.4	6.4
Govt administration & defence	34.0	37.4
Education	52.0	51.4
Health & Community services	40.8	35.2

Source: Household Labour Force Survey
Industrial Relations Centre Survey

Table 7: Sectoral changes in employment (000s) 1991-2001

Industry Group	Labour force Dec 1991 (000)	Labour force Dec 2001 (000) (Change %)	Percentage decline in union m'ship 1991-2001
Agriculture, fishing, forestry etc	155.4	168.7 (8.6)	85.5
Mining and related services	5.0	1.0 (-80)	78.5
Manufacturing	254.8	291.3 (14.3)	34.5
Energy and utility services	14.2	10.0 (-42)	52.6
Construction & building services	88.8	115.5 (30)	67.5
Retail, wholesale, restaurants, hotels	310.7	410.1 (32)	76.3
Transport, storage and communication	94.7	111.6 (17.8)	37.3
Finance, Insurance and business services	146.7	241.2 (64)	51.8
Public and community services (includes Non-public sector employment)	402.9	508.0 (26.1)	13.6
TOTAL	1479.3	1860.7 (25.8%)	35.9%

Source: Household Labour force Survey (by NZSIC)

Results: Gender

As reported in previous years, women's participation or membership in unions remains higher than their participation in the workforce. The percentage of union members who are female has been around 48-50 percent for the last decade. This year it is 51.5 percent. The percentage of the total labour force that is female is 45.6 percent (Household Labour Force Survey, Statistics New Zealand 2002).

Ethnicity analysis

In this year's survey we asked a new question about whether the union collected statistics on the ethnic background of membership. Twenty-five unions representing 46 percent of overall membership said that they did collect such statistics. Membership of those unions was reported as 77 percent NZ European/Pakeha, 11 percent Maori, nine percent Pacific Island, one percent Asian and two percent other. Whilst the low collection rate means we have to be careful using these statistics, they do broadly concur with Household Labour Force Survey breakdowns for labour force by ethnicity in the case of NZ European/Pakeha who represented 80 percent of the employed labour force, and Maori who represented a little over nine percent of the employed labour force as at December 2001. Pacific Peoples represented a little under five percent of the employed labour force as at December 2001 (Statistics New Zealand, 2002).

Results: Peak body affiliations

Throughout the 1990's New Zealand had two peak union bodies. The largest of these, the New Zealand Council of Trade Unions (CTU) was formed in 1987 to replace the Federation of Labour (FOL) and the Combined State Unions (CSU). In 1993 the Trade Union Federation (TUF) was formed as an alternate body from a core of blue-collar unions. In 2000, TUF merged with the CTU.

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 32 of the 165 registered unions are CTU affiliates. More importantly, however, CTU affiliates comprise 88 percent of total union membership and represent 18 of the 20 largest unions in New Zealand.

Table 8: NZCTU Affiliation (1991 – 2000)

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	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

Discussion

The results reported herein build on the two significant findings arising from last year's survey, of large growth in the numbers of unions and the first rises in union membership in over a decade. The growth in union numbers to 165 at the end of 2001 appears to have slowed somewhat with the Registrar reporting new unions registering at a much less frequent rate than in the first year of the ERA. The increase of membership of 3.6 percent in comparison to 2000's increase of 5.4 percent may also indicate a slowing of membership growth however at this early stage it is too early to tell.

Of those 165 unions, 42 percent are new unions, that is, their formal existence is closely linked to the ERA as they all have become incorporated bodies since January 2000. The majority of the new unions are enterprise or workplace based and can be found in a wide range of industries from education to food manufacture, local government to retail (with the most publicised of all the new unions being the Warehouse People Union located in the retail chain of the same name). Questions have been raised as to how some of the new unions could pass the independence test as required by the Act. These issues were dealt with by the Full Court of the Employment Court, in August 2001, when it heard the first application to deregister a union registered under the ERA, in

*Meat & Related Trade Workers Union of Aotearoa Inc v Te Kuiti Beef Workers Inc*¹. The established union was unsuccessful in its attempt to have the enterprise based new union deregistered (for a full discussion of this issue see Barry and May, 2002: 14 and Thickett et al., 2002: 94).

Unions remain stubbornly concentrated in the public sector and in manufacturing and whilst these two sectors account for a significant proportion of the labour force (between 33 and 40 percent) they are not sectors of growth into the future. Those sectors growing at a faster rate than the labour force overall are finance, insurance and business services and the retail, wholesale, restaurant, accommodation sector which have low density levels of 6.4 percent and 3.7 percent respectively.

The demographics of New Zealand's employers may give some explanation as to why unions are failing to make the gains in membership required for pre-1990s density levels to return. Small employers predominate the industrial landscape and increasingly so. Fifty five percent of all fulltime equivalent jobs are in organisations employing less than 50 workers, up from 48 percent of all full time equivalent jobs in 1991. The percentage of full time equivalent positions in enterprises employing more than 100 workers has dropped from 45 percent in 1991 to 38 percent in 2001 (Statistics NZ, 1991, 2001). Small workplaces are notoriously difficult for unions to organise and bargaining coverage traditionally has been through multi-employer awards. The collapse of these multi-employer awards under the ECA and the lack of growth in multi-employer collectives under the ERA (see Thickett et al., 2002: 24-25), creates a serious difficulty, as negotiating on an enterprise basis in small workplaces has high transaction costs which unions are unable to sustain.

Several other factors continue to work against unions returning their density levels to that of pre 1991. Resourcing remains a serious constraint. The union movement is dispersed and still struggling with the decimation of the 1990s. The kinds of organising strategies currently being pushed by the CTU as the path for renewal, are by their very nature are resource intensive requiring great commitment. Established unions are under pressure from some of the new unions who are in effect competing for membership on the basis of lower or in one or two cases, no membership dues (Barry and May 2002). Cultural change of the type the CTU is trying to effect within unions takes time. Unions are slowly readjusting themselves to the new environment of the ERA but many are bargaining in an ECA mode, bargaining site by site, an approach paradoxically favoured by a great deal of members and almost always preferred by employers. Notwithstanding this, we have recently reported elsewhere of a growth in collective agreements in workplaces of 50 or less workers, showing some unions are making inroads into this area (Thickett et al., 2002: 14).

¹ Unrep 8 November 2001, AC 71/01 Palmer, Travis & Colgan, J.J.

Whilst the ERA re-establishes union legitimacy, unions struggle with attempting to recruit a whole generation of New Zealanders who have grown up seeing the union movement marginalized and as a result don't naturally see unions as relevant in a way that their parents might have done. There is evidence emerging internationally of an "incumbency effect", (Diamond & Freeman, 2001) that is, young workers are heavily influenced by their first experiences of work, and as this is more often than not a non-union experience this will be a significant factor in future decisions. Further, British research suggests that the failure to unionise new workplaces (those established since 1980) explains much of the decline of British trade unionism and paints a bleak future for unions in that country (Machin, 2000).

The membership data revealed by the survey must provide unions with some cause for concern. In contrast with the previous decade the environment now is more favourable to the union movement. The legislative framework, by no means a return to the "good old days" is none-the-less broadly positive and supportive of collectivism. The economic climate is fairly conducive to good bargaining outcomes with unemployment at relatively low levels. The CTU is pushing unions hard to adopt strategies for growth and renewal and is putting unprecedented resources into organising and training for affiliates. Yet with all this the total increase of membership over the last two years has been just 27500 new members, and an addition of 0.6 of a percentage point to density. The obvious conclusion might simply be that the ERA does not go far enough in putting unions "back on the map". Two years into the ERA unions find themselves in somewhat of a catch 22 of influence and representation. To gain more influence over policy making and to secure improvements to industrial relations legislation requires unions to be more representative than currently suggested by a density figure of 22 percent. However lifting density rates to anything like that of the pre 1990s will require a public policy framework far more supportive than that offered by the ERA as it stands. Whilst the slow but steady gains seen to date may well continue, it may not yet be enough to show evidence of genuine renewal.

References

- Bamber, G. and Lansbury, R. (1998), *International and Comparative Employment Relations*, SAGE, London.
- 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, 2: 11-18, AIRAANZ.

Diamond, W. and Freeman, R. (2001), *Liking the Workplace you have: The Incumbency effect in preferences towards unions*, Working Paper 1125, CEP, London School of Economics.

ERS Website (2001), www.ers.dol.gov.nz-union-registration. (Accessed 30 June 2002).

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.

Machin, S. (2000), *Union Decline in Britain*, Discussion paper 455, CEP, London School of Economics.

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.

Statistics New Zealand (2002), *Household Labour Force Survey*.

Statistics New Zealand (1991), *Business Demographics*.

Statistics New Zealand (2001), *Business Demographics*.

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
% change 1991-2002			-11%			+37%	+25%
B/down 91			25%			75%	100%
B/down 01			18%			82%	100%
B/down 02			18%			82%	100%

Source: Quarterly Employment Survey

See: "Differences between the QES and HLF5" (Statistics New Zealand) for an explanation of why the HLF5 and the QES report different figures. The above figures represent "filled jobs", i.e. 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.