

New Zealand

Main indicators and characteristics of collective bargaining

This note presents the main indicators and characteristics of collective bargaining in New Zealand for 2019 or the latest year available. The purpose of this note is to provide a snapshot of the functioning of collective bargaining in New Zealand that can be used for comparisons with other countries in the database. Therefore, this note does not provide a precise description of the legal provisions or standard practices in New Zealand but only a general summary.

The first version of the OECD and AIAS, Institutional Characteristics of Trade Unions, Wage Setting, State Intervention and Social Pacts (ICTWSS) database has been released in February 2021 and has been produced with the financial assistance of the European Union Programme for Employment and Social Innovation “EaSI” (2014-2020), VS/2019/0185. The views expressed herein can in no way be taken to reflect the official opinion of the European Union.

The OECD/AIAS ICTWSS database together with its codebook, a note on methodology and sources and a glossary is publicly available at www.oecd.org/employment/ictwss-database.htm. For any information or correction, please contact CollectiveBargaining@oecd.org.

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The actors and scope of collective bargaining

<i>Trade union density (% of employees)</i>	17.7% (in 2018)
<i>Adjusted bargaining (or union) coverage rate (% of employees with the right to bargain)</i>	18.6% (in 2020)
<i>Employer organisation density (% of employees)</i>	83.1% (in 2009)

Wage setting

<i>The predominant level at which wage bargaining takes place (in terms of coverage of employees)</i>	Bargaining predominantly takes place at the local or company level
<i>The combination of levels at which collective bargaining over wages takes place</i>	Enterprise (company, or units thereof)
<i>Reach or incidence of additional enterprise bargaining</i>	
<i>Favourability</i>	
<i>Opening clauses in sectoral collective agreements</i>	
<i>Crisis-related, temporary opening clauses in collective agreement</i>	Agreements contain no opening clauses
<i>Mandatory extension of collective agreements to non-organised employers</i>	There are neither legal provisions for mandatory extension, nor is there a functional equivalent
<i>Is there a statutory minimum wage in your country?</i>	Yes, there is one or more statutory minimum wage rate(s) that cover(s) all or most employees

Wage co-ordination

<i>Coordination of wage-setting</i>	Fragmented wage bargaining, confined largely to individual firms or plants, no coordination
<i>Type of coordination of wage setting</i>	No specific mechanism identified

Works councils and employee representation in the enterprise

<i>Status of works council</i>	Works council or similar (union or non-union) based institutions of employee representation confronting management do not exist or are exceptional
<i>Involvement of works councils (or similar structures) in wage negotiations</i>	Not applicable (no works councils)

Social pacts and agreements

<i>A social pact or central agreement is signed in specified year</i>	No
<i>Existence of a tripartite council for the purpose of negotiation, consultation or information exchange over social and economic policies</i>	Tripartite council with representation from the trade unions, employers' associations, and independent experts or government (-appointed) representatives