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Trade Unions and Politics in New Zealand

by

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INTRODUCTION

A number of recent events in New Zealand have focused public attention on the role of the trade unions in the political arena and on the relationship between the trade unions and the government.

These events have included the unions' reaction to the 1976 wage and price freeze and to government proposals to change the basis of union membership,¹ protests over the arrival of nuclear ships in New Zealand waters, and the placing of 'green bans' on commercial land development projects. In particular, in the Commerce Amendment Act 1976 the National Party government introduced a series of provisions governing strikes and lockouts 'contrary to the public interest.' These provisions, characterised in the daily press as punitive legislation against 'political' strikes, attempt to limit union action to 'industrial' matters as opposed to 'political' matters and to prohibit any strikes or lockouts that are deemed, either directly or indirectly, to coerce the government. Such legislation raises a number of questions of principle concerning the rights of trade unions and other pressure groups within a democratic society, and a number of definitional problems. This article argues that trade union economic objectives inevitably and increasingly bring unions into political issues, and that government attempts to confine trade union activities to employer-employee relationships at the industry or at the workplace level are doomed to failure. At the same time the article attempts to clarify the nature of the political activity that trade unions engage in.

Forms of Unionism and Political Activities of Trade Unions

It is necessary to accept that in a democratic society a trade union is a legitimate

interest or pressure group concerned primarily with the economic well-being of its members. A number of unions, however, and many union members, will have broader social objectives linked to varying political philosophies. In some of these philosophies, as in syndicalism for example, the trade union has been viewed as a revolutionary body that would become the cornerstone of a new society. We can accept some distinction, therefore, between 'economic unionism' and 'political unionism.' Economic unionism gives primacy to economic goals and the economic union is involved in politics only in so far as such involvement is seen to be necessary to protect the existence of the union organisation or to secure improvements in the wages, salaries and working conditions of union members. Political unionism, in contrast, is also concerned with political objectives such as the successful placement of union candidates in parliamentary or public offices, and the political union, whilst carrying on economic functions on behalf of its members, is nevertheless prepared on occasion to subordinate those economic functions to a wider political purpose. It is argued² that a political union has a number of distinctive characteristics: it requires ideological conformity amongst its leadership; its leaders spend most of their time in political operations and discussions; it frequently uses direct mass action in support of non-industrial objectives; its goals are broad and may include the revamping of the major

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1—See Wilson, M., 'Union Membership in New Zealand: An Assessment of Government Policy,' *N.Z. Journal of Industrial Relations*, May 1976, pp. 9-14.

2—See Millen, B. H. in REHMUS, C. M. and McLAUGHLIN, D. B. (eds), *Labor and American Politics*, Ann Arbor: The University of Michigan Press, 1967, p. 14

rules governing society; and it is prepared to temporarily abandon economic objectives in the hope of winning political power.

Trade unionism in New Zealand is primarily an economic rather than a political form of unionism. This is not to say that there are no ideologically committed unions or union members with a vision of some alternative social system. Rather it is a descriptive statement about the dominant practice of trade unionism in New Zealand as reflected in the activities of union officials and job delegates and by the wishes of the majority of union members. Having made this distinction between kinds of trade unions in terms of the end goals that unions pursue, it is necessary also to consider the nature of the political activities that unions, whether economic or political, may pursue as means to the achievement of those goals. Certain kinds of political activity may be just as necessary to a union pursuing economic goals as to a union pursuing political goals. We cannot, therefore, judge the nature of the unionism by reference merely to the political activities that the union finds itself engaged upon. Political unionism is defined by reference to ends, but political activity, that is "activity designed to persuade by a variety of means the public, political parties and governments that particular action is either desirable or otherwise," can be identified independently of any labelling of particular objectives as 'political' or 'industrial.'³ Thus, in the United States, for example, organised labour has always been involved in political activity and yet has been characterised as "business unionism."

The kinds of political activities which unions engage in may cover a broad spectrum. Unions may be directly linked to political parties. In the United Kingdom, for example, the trade unions supply the bulk of the Labour Party's income and most of the Party's special election campaign funds, and they control the majority of the votes at the Party's annual conferences. In addition many unions in the United Kingdom sponsor members of parliament.⁴ Unions in the United States, in contrast, have traditionally been independent of direct links to

governments and political parties, and references to political activity on the part of trade unions commonly refer either to the nomination of candidates for public office or to efforts to lobby for legislation or government action that is favourable to the unions' economic objectives. Where there are links between the unions and political parties they are not necessarily only with the socialist or social democratic parties. In West Germany, for example, the DGB (Deutsche Gewerkschaftsbund, the central trade union organisation) supplies a substantial number of MPs not only to the Social Democratic Party but also to the Christian Democrats and one of the DGB vice-presidents is regularly elected from the Christian Democrats within the union organisation.⁵ In New Zealand the most common form of political activity engaged in by the trade unions is probably lobbying. In this they are no different from numerous other sectional interest groups — business and professional groups, consumer groups, educational, environmental, recreational and cultural groups — who try to influence the direction of central or local government policy in various ways. Such groups can and do have political influence without necessarily having or seeking political power. Their relative influence shifts with changes in the size of their membership and the extent to which they can achieve a sympathetic response from the wider public. The practice of the lobby and pressure group politics reflects the principle that a minority group in a democratic society has a right to seek to influence public policy-making and to seek redress for grievances. In this respect the lobby is a component part of a participatory democracy and in opposition to the concept of democracy as delegated power in which the winning of a parliamentary majority is taken as a blank cheque for whatever policies the victorious party set out in its election manifesto.⁶ Indeed the denial of recognition for the rights of minority groups is likely to increase their recourse to direct action methods of influencing political decisions.

Trade unions in New Zealand as elsewhere have always been involved in political

3—MAY, T. C., *Trade Unions and Pressure Group Politics*, Lexington: D. C. Heath and Co., 1975.

4—See RICHTER, I., *Political Purpose in Trade Unions*, London: George Allen and Unwin, 1973, for description of the Engineers' Union programme.

5—JACOBS, E., *European Trade Unionism*, London: Croom Helm, 1973.

6—See LASKI, H. J., *Trade Unions in the New Society*, New York: Viking Press, 1949, p. 170.

and economic activity of a direct action kind from time to time. Symbolic action programmes of marches, rallies and parades are part of the history of trade unionism and the direct action weapons of the strike, the boycott, the sit-in, the work-to-rule, the go-slow, have been used for a variety of purposes. In 1976, for example, the New Zealand Federation of Labour called a series of stop-work meetings around the country to protest about the government's handling of cost-of-living issues and to rally opposition to government proposals to change the legislation on union membership. In January 1977 the Auckland Trades Council placed a 'green ban' on subdivision work at Bastion Point in order to delay a development project that many interest groups thought was environmentally undesirable. Direct action, however, poses a number of problems for trade unions. Such action generally has a negative or veto aspect and whilst it can be used to obstruct the desires of government, of public bodies or of private corporations, it may produce little of tangible economic benefit to trade union members. In particular it is difficult for unions to gauge membership support for direct action programmes that are not closely geared to the specific economic goals of the membership.⁷ Indeed there is evidence to suggest that many union members do view politics and trade unionism as separate matters and wish their unions to confine themselves to improving wages, salaries and employment conditions at the place of work. The growth of such a work-centred perspective amongst union members is particularly problematic for the unions at a time when they are increasingly being drawn by government action into centralised wage and salary fixing procedures. It is to this issue that we now turn.

New Zealand's Wage Hearing Tribunal

One of the most clearly understood and accepted objectives of the trade unions is the representation of the economic interest of their members through bargaining with employers on wages and salaries. Increasingly in the post-war period this has brought trade unions into conflict with government primarily along two dimensions. First there

has been the growth of government employment and the corresponding expansion of the membership and power of the state services unions, particularly the Public Service Association. Thus there has been a government-union confrontation of an employer-employee kind, part of the collective bargaining process in the public sector. Secondly, there has been the growing attempt of government to control wages and salaries as part of economic policy, usually for some short-term economic or political convenience but generally dressed up with claims to be part of an overall economic strategy. This is most obvious in the various forms of incomes policy and wage restraint that governments in the Western world have tried to negotiate or impose as a means of combating inflation. In New Zealand this can be clearly seen in the events of the last few years. Up to 1971 there was an Arbitration Court that ruled on general wage order applications. There were, of course, ways in which governments would pressurise the Arbitration Court to take account of government policy or the country's economic situation when reviewing any application for a general wage order. But government was not as of right formally able to appear before the Arbitration Court to argue the case for wage restraint, although the employers could and did call for evidence from the Treasury and that gave government the chance to put its views across. In principle, however, the Arbitration Court was adjudicating between employers and unions with the government on the sidelines. But since the discontinuance of the Arbitration Court successive governments in New Zealand, the Labour Party administration of 1972-75 and the National Party administration that came into office in November 1975, have taken the centre of the stage on wage and salary matters, imposing wage restraints, wage freezes, cost-of-living allowances, and unilaterally determining a series of general wage orders after discussion with the central trade union and employer organisations.

In 1976 the National government, in an amendment to the Wage Adjustment Regulations of 1974, established a new body, the Wage Hearing Tribunal, which once again shifts the overall balance of

⁷—In January 1977, for example, a seven-day boycott of trade and communications with South Africa, called by the British Trade Union Congress and international workers' organisations to protest against apartheid, was ignored by a large proportion of the affected workers.

government-union-employer powers in the settlement of wages and salaries. The tribunal has up to five members — there are three on the present tribunal — appointed on the recommendation of the Minister of Labour, all the members being independent and free of any sectional interest. Either the New Zealand Federation of Labour or the New Zealand Employers' Federation can apply to the Tribunal for a wage order and, after hearing representations, the tribunal may make such an order, the tribunal's decision being final and not subject to appeal. In the context of my argument here there are two crucial aspects to the regulations under which the tribunal operates. The first aspect is the criteria that the tribunal should apply in its consideration of a wage order application, and the second concerns the opportunities made available by the tribunal for representations from interested parties. In deciding whether to make a wage order the tribunal is required to "give paramount importance to the promotion of the economic stability of New Zealand" whilst also taking into account the capacity of the New Zealand economy to sustain a general wage and salary increase, the promotion of industrial harmony, the maintenance and promotion of New Zealand exports, the maintenance of full and productive employment, and movements in the Consumers' Price Index and in the relative incomes of non-wage and salary earners in the community. It is clear, therefore, that the terms-of-reference of the Wage Hearing Tribunal give priority to general economic objectives and policies rather than, for example, to the preservation of the real incomes of wage and salary earners. The regulations also lay down which bodies can expect to appear before the tribunal to make representations, namely representatives of the FOL, the CSSO, the Employers' Federation and, unlike the Arbitration Court, the Minister of Labour. The government can now appear as an interested party in its own right. Indeed, given the tribunal's terms-of-reference, the government can claim that its arguments should take precedence since the criteria that the tribunal has to take into account are so heavily weighted towards considerations that fall within the preserve of government economic policy. Thus in

January 1977 we find the representative of the Minister of Labour arguing before the Tribunal that in the interests of the economy only a moderate wage order could be sustained and that "if proper regard is to be had to economic stabilisation then the country must accept a lower living standard."⁸

In New Zealand, then, there have been three wage-fixing situations since the late 1960's. Firstly, the situation with the Arbitration Court where the government effectively was sitting on the sidelines and would only be called into an application that went before the court if one of the parties, the employers or the trade unions, asked for evidence from a government department, normally the Treasury. Secondly, the situation where the government had a completely central and dominant role in the determination of wages and salaries, generally from 1972 through to the middle of 1976, with government imposing general wage orders, taking into account representations from the Federation of Labour, the Combined State Services Organisation and the Employers. And now, at the present time, the situation whereby the government is participating in the actual processes of settlement of wage and salary matters by having the right to appear before the new Wage Hearing Tribunal, a Tribunal whose terms of reference and membership have been chosen by the government.

Thus, as the government has taken, in the post-war period, an increased interest in the outcome of wage and salary negotiations between employers and trade unions so it has essentially drawn those negotiations into a political framework, that is it has tried to ensure that any private settlements that might have taken place between employers and trade unions are either aware of overall government economic policy or of the general economic circumstances of the country at the time of those negotiations, or it has determined general increases in wages and salaries quite directly itself. The important point, in the context of my general argument, is that this puts wage and salary negotiations quite clearly into the political arena. Negotiations are carried on within a political context and it is absurd, therefore, for any government to try and maintain, given its

8—Auckland Star, 25-1-77.

own activities in wage and salary negotiations, that trade unions should not act in a political manner, that is that trade unions should content themselves with employer-employee relationships and the determination of wages and salaries at the level of the plant. In the post-war period in New Zealand we have had an increased intervention of government in collective bargaining, wage fixing and salary fixing matters. Effectively this politicises these matters, and, consequently, the trade unions, in order to represent their members' interests, increasingly have to take up political action. What sort of logic is it that says that trade unions should confine themselves to non-political activity, accepts that the major rationale of trade unionism is the economic well-being of their members and then puts the negotiations of wages and salaries quite deliberately into the centre of politics?

The whole argument about trade unions and politics is, of course, somewhat spurious. Trade unions have always been involved in political activity. Indeed historically the formation of many Labour parties has been with trade union support and it has been common to view the trade union as the industrial wing of a labour movement and the political party as the political wing. Thus in New Zealand it was a meeting of the Trades and Labour Conference that resolved, in 1898, that a Labour Party should be set up. In 1904 the Trades and Labour Councils set up the Political Labour League, the forerunner of the first Labour Party in New Zealand. By the 1940s trade unionists accounted for about 80% of the Labour Party's membership and nearly every union in the Federation of Labour was affiliated to the party. In recent years, however, the ties between the trade unions and the New Zealand Labour Party have been less strong. Only a small portion of the Party's election funds comes from the unions, disaffiliations of unions from the Party have increased, and the main formal contact between the Federation of Labour and the Labour Party has been the somewhat powerless Joint Council of Labour. In practice trade unions in New Zealand as elsewhere have often faced the dilemma of deciding in terms of the best representation of their members' economic interests, that is in terms of improvements in real wages and salaries, whether or not they would be better advised to push for improvements through direct

industrial action at the level of the firm, or whether they should move through political action, that is through representations to government centrally and representations through the political wing of the labour movement, the Labour Party. Indeed in Britain, of course, the trade unions have sponsored MPs and have tried to influence the Labour Party quite directly and, as we well know, at the present time have a very major say in the economic and social policies of the present Labour administration in Britain. The interesting thing about New Zealand in this kind of context is that the political wing of the labour movement, the New Zealand Labour Party, is at the present time somewhat demoralised, suffered a major defeat in the 1975 election, has presented an image of ineffectual opposition to the government and does not speak with a very clear voice on matters of wage and salary settlement. For example, you would think from reading the newspapers that there was no particular political angle to the wage claim by the FOL and the CSSO which led to the March 1977 6% award of the Wage Hearing Tribunal. There seemed to be no statements from Labour Party politicians on how they saw wage and salary matters at that time and what level of settlement they thought to be appropriate. Yet I am arguing that such matters are political matters and that political opposition in terms of wage and salary negotiations has been taken over solely by the Federation of Labour and the Combined State Services Organisation. What we have in effect is a situation in New Zealand where the Labour party opposition has been muted. It does not appear to represent any particular sectional interest and does not come forward and speak forcefully on labour and industrial relations matters and on matters of wage settlement but rather leaves these exclusively to the central trade union bodies. If, and this may be taking a somewhat Machiavellian view of the picture, the present government, by annihilating the Labour Party at the polls, feels that it is operating with very little parliamentary opposition, and the only effective political opposition comes from the central trade union organisations, particularly from the Federation of Labour, it is obviously in the interests of the government to attempt to curtail the force of that opposition too. And one of the ways of doing that is to limit the trade unions to activities at the level of

the enterprise by trying to keep trade union activities within the confines of so-called 'industrial action' and out of the political arena. Part of the 1976 Commerce Amendment Act attempts to do just that.

The Commerce Amendment Act, 1976

Part IVA of the Commerce Amendment Act 1976 deals with 'strikes and lockouts contrary to the public interest' and two sections of the Act, sections 119b and 119c are of relevance to the argument of this article. Section 119b makes it an offence for anybody to take part in, or to incite or aid, a strike or lockout concerning a matter (a) which is not an industrial matter or (b) which the employers and workers themselves, or their respective unions do not have the power to settle. It is also an offence to take part in, or to incite or aid, a strike or lockout that is intended to coerce the New Zealand Government, other than in its capacity as an employer, either directly or by inflicting inconvenience upon any section of the community. Maximum fines for conviction under section 119b range from \$150 for an individual worker convicted and \$700 for an individual union official or employers' representative, to \$1500 for a union or an employer. In addition to these fines anybody who has suffered loss as a result of the strike or lockout can sue for damages in civil proceedings. Any award of damages as a result of such a civil action could only be made against a union or an employer. If, however, a union failed to pay the damages awarded then the individual union members would become liable up to a maximum of \$200 each.

Section 119c deals with failures to resume work where the public interest is affected. Although there is no formal definition in the Act of 'public interest,' this section effectively defines it. The section gives the Industrial Court⁹ powers to order a resumption of work in a strike or lockout situation if the Court is satisfied that (a) the economy of New Zealand, particularly its export trade, is or will be substantially affected by the strike or lockout or (b) the economy of a particular industry is or will be substantially affected, or (c) the life, safety or health of members of the com-

munity is endangered by the strike or lockout. In addition to ordering a resumption of work the Court will determine the procedure for settling the issue over which the strike or lockout arose. The section also gives the Industrial Court powers to order the cessation of any rolling strike action, a rolling strike being defined as 'the action of a number of workers, acting in concert or pursuant to a common understanding, in striking in relay.' Any government minister can apply to the Industrial Court for a resumption of work order under section 119c as can any individual, or his representative organisation, who can prove to the Court that he is directly affected by the strike or lockout. Failure to comply with a resumption of work order carries maximum fines of \$150 for an individual worker, \$700 for a union official or employer representative, and \$1500 for a union or an employer.

It is not difficult to see why these sections of the Act have been totally opposed by the trade union movement in New Zealand. They put severe limitations on the right to strike, reinforced by financial penalties against unions, their officials and their members. They are directed particularly at some of the most strike-prone sectors of the New Zealand economy, the freezing industry and the waterfront, where export trade is at stake. They would seem to prohibit strike action in an industry if such action had some demonstrably damaging economic impact on that industry. Thus if a union has economic leverage in an industry any strike action it may take could be illegal; of course, if it has no economic leverage then strike action could well be pointless. While the Act does not define an 'industrial matter'¹⁰ the implication seems to be that it is a matter that can be settled by the employers and unions themselves. A number of union actions of the last few years would presumably be illegal if repeated now — the Federation of Labour's 1976 series of stop-work meetings could be considered as an attempt to coerce the New Zealand government, the Auckland Trades Council's 1977 green ban at Bastion Point is presumably a non-industrial matter. The point of course, is

9—The New Zealand Industrial Court was set up under the Industrial Relations Act 1973 to deal with disputes of rights. For full details see, Young, F. J. L., 'New Zealand Industrial Relations: Retrospect and Prospect,' *New Zealand Journal of Industrial Relations*, May 1976, pp. 3-8.

10—In the Industrial Relations Act 1973 'industrial matters' were defined as 'all matters affecting or relating to work done or to be done by workers, or the privileges, rights, and duties of employers to workers in any industry.'

not only whether any actions are brought to the courts on such issues, it is that they can be brought both by the government and by individuals. The chairman of the Combined State Services Organisation has suggested that these clauses of the Commerce Amendment Act will put industrial relations in New Zealand back 100 years and has described the government action as a 'complete contravention of the ILO conventions concerning freedom of association and the right to strike.'

The Inevitable Growth of Trade Union Political Activity

The present New Zealand government reflects the growing trend in Western democracies for government concern about the public interest in industrial relations. Unfortunately, however, rather than drawing the trade union movement closer to government in policy-making on economic matters that have some bearing on the interests of union members, the New Zealand government has taken the road of confrontation.¹¹ In response the unions are inevitably led to stress their countervailing power, the sectional nature of their primary interests, and to disassociate themselves from responsibility for the way in which industrial relations are developing in New Zealand. The government in turn comes increasingly to view the trade union movement as a new and illegitimate political opposition and seeks to curtail the political activities of the unions. In trying to deny trade union involvement in political activity, however, the government effectively denies the legitimacy of the objectives of the trade unions as a pressure group and indeed denies the legitimacy of all pressure group politics.

Historically the relationship between the trade unions and the governments of most Western democracies has shifted radically over the years so that now the union movement is a recognised institution, part of 'the establishment,' closely integrated with the economic and political life of the capitalist system. Union representatives participate in royal commissions, in government committees of inquiry and sit on ministerial advisory bodies. Large unions, or the central union organisations, issue statements on

national economic policy, on foreign policy, on government legislative programmes. They are involved in issues of productivity, income distribution, inflation, company re-organisation, economic development, consumer affairs, taxation and labour market policies. Many trade unions started as friendly societies providing some of the welfare benefits that have subsequently been taken over by the state. From a position of initial opposition to government, unions have turned in many countries into 'an integrated institution of the welfare state.'¹² The unions themselves have become significant employers. In West Germany, for example, unions own the fourth largest bank in the country, the biggest life insurance company, one of the three largest travel companies, and the largest property development company in Western Europe.¹³

In some respects what the present New Zealand government has done in its legislation to date has been to threaten the sense of 'establishment' of the New Zealand trade unions and their leaders. The government has changed the legal framework within which the trade unions operate and its wage and salary policies have made the unions increasingly aware of the limitations on collective bargaining at the plant or industry level. These are matters which now once again compel political action on the part of the trade unions if they are to protect their members' economic interests at all effectively. At the same time the extension of government activities, particularly in the area of incomes policy, re-emphasises the importance of close union-government relationships in the promotion of positive industrial relations policies and practices. Traditional divisions between political and industrial matters are no longer a useful guide to policy or to analysis: "the growing concern of governments with the level of wage settlements . . . has served to politicise matters previously regarded as industrial and thus only the concern of the bargaining agents, the employers and the employees."¹⁴

It is ironic but not unexpected that a government which hopes to prohibit trade union activity in the political arena is likely to find itself increasingly having to deal

11—The parallels with the initial moves of the 1970 Heath administration in the United Kingdom are very striking.

12—Van de Vall, M., *Labor Organisations*, Cambridge: University Press, 1970.

13—JACOBS, *op. cit.*, p. 44 ff.

14—MAY, *op. cit.*, p. 128.

with the trade unions on political issues. There are many precedents. In the United Kingdom, the Taff Vale case of 1901, which placed trade union funds in jeopardy and threatened trade union officers with contempt of court for the actions of their members, led to five years of intensive political activity culminating in the Trade Disputes Act of 1906. In the United States the Taft-Hartley Act of 1947, enacted to restrict and weaken the scope of union activity, actually advanced and intensified the political growth and development of the labour movement which led to the establishment in 1955 of the AFL-CIO's Committee on Political Education.¹⁵ One of the functions of the New Zealand Federation of Labour's series of stop-work meetings in 1976 was to edu-

cate rank-and-file union members on cost-of-living matters, on the government's policies on union membership and on the issue of nuclear ships in New Zealand waters. In general efforts to decrease political activity in industrial relations matters, particularly efforts that are geared to the use of the courts for enforcement, frequently have the opposite effect. Industrial relations cannot be taken out of the political arena by means of the law; any attempt to do so will simply put the law into the political arena too. "In the ultimate analysis, all aspects of labour relations . . . are part of politics. Trade unions are involved in politics, whether they want to be or not, whether they claim to be neutral in partisan politics or not."¹⁶ ©

15—See REHMUS and McLAUGHLIN, *op. cit.*

16—SPIRO, H. J., *The Politics of German Co-determination*, Cambridge, Mass: Harvard University Press, 1958, p. 5.

Reactions to Recent Changes in Industrial Relations Legislation in New Zealand

At the end of February the Industrial Relations Society held a panel discussion in Auckland on the changes made to industrial relations legislation through the Industrial Relations Amendment Act (No. 2) 1976 and the Commerce Amendment Act 1976. Edited extracts from some of the contributions by panel members are recorded below.

(1) MR D. BIRKHILL, President, Auckland Branch, N.Z. Insurance Guild

Prior to the government introducing its legislation into parliament it had backed down on a number of issues. In particular it had rejected completely severe provisions which would have removed union officials from office if they had incited 'non-industrial' strikes. Some sources say that it was pointed out to government that this might remove half the present union officials — including some of the moderates — and would open elected and appointed offices to the radicals. Another concession the government made was that it left the Supreme Court out of the industrial situation, making the Industrial Court the principal judicial body. The government also yielded

on the issue of calling ballots for voluntary membership of unions. Now, the ballots will only be called upon the decision of the Minister of Labour in consultation with the Federation of Labour.

Despite these concessions there were sweeping changes proposed in the Industrial Relations Amendment Bill (No. 3) 1976.* Some said the proposed legislation smacked of window-dressing so that the government could say it had carried out its election promise to straighten out the unions. Union leaders seemed to have acquiesced in it on the understanding that there would be industrial mayhem if it was ever invoked. Others said it was not good law. It was not fair law and it was ineffective law. The Bill was referred to the select

* The Industrial Relations Amendment Bill (No. 3) 1976 passed into legislation as the Industrial Relations Amendment Act (No. 2) 1976. (Ed.).