

FOOTNOTES

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THE 1980 FEDERATION OF LABOUR CONFERENCE

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INTRODUCTION

The Forty-Third Annual Conference of the New Zealand Federation of Labour (FoL) was held in the Wellington Town Hall from 6 to 9 May 1980. The credentials committee of the conference reported that "there were 409 delegates attending and three National officers, which included 45 women delegates, exercising a total of 625 votes".

This conference was significant as a meeting of trade unionists for three reasons. First, as the first conference of the 80s, the opportunity existed for a look back at the late seventies — the chance to review gains and losses — and the chance to look forward to the early eighties, and to assess the difficulties and challenges that would face New Zealand's trade union movement. Second, this conference was significant in terms of leadership. This was the first annual conference for the newly elected President, Jim Knox, and the Secretary, Ken Douglas, and the progress of this new leadership team was an issue for some delegates — not to mention some politicians and some journalists. Third, a number of long term policy decisions were proposed — the effects of which would have deep significance for the future of the Union movement.

INTO THE EIGHTIES

The first conference of a new decade or a new century probably holds some form of psychological significance for conference delegates - whether that conference be a conference of unionists, a conference of educationalists or a conference of economists. Such a conference presents an opportunity for review and assessment, and the 1980 FoL Conference was no exception.

President Jim Knox in his opening address reviewed the difficulties facing the unions, and the kinds of strategies that would be necessary for the successful overturning of these problems. The first difficulty he raised was that of inflation and the fall of living standards for working people. He stated:

"One of the major problems in measuring living standards is that inflation has a different effect upon people at different levels of

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income. While a person who has the choice between a Rolls Royce and a Bentley will notice price rises as quickly as a person whose directionary spending is limited to a choice between sausages and mince, inflation has a dramatically different impact on their standard of living."

With inflation running at 16.5 per cent for the year ended 31 December 1979 and a new high of 18.4 per cent for the year ending 31 March 1980, the delegates present were representing workers whose living standards were falling rapidly and for many of whom the "choice between sausages and mince" was long since the reality.

The second difficulty facing workers that Knox outlined was the problem of unemployment. With unemployment reaching its highest levels since the depression of the 30s, many unions are deeply concerned with the problem of redundancies and the associated problems of the introduction of the job-displacing new technology. Knox indicated strongly that workers were unemployed because there:

"... is not work for them to do. For example, in February 1980 there were 27,835 people registered as unemployed and 1,498 vacancies with the Labour Department. Even if they all wore suits, cut their hair, tugged their forelocks, and smelled like roses, there would not be enough jobs for 26,337 unemployed people."

Assessments in excess of 100,000 unemployed workers in New Zealand, and predictions have been made by traditionally conservative organisations that unemployment could reach 300,000 by 1985. Unemployment of such a magnitude must be an anathema to unionists, and is a pressing problem — one that has deepened industry by industry as the year has progressed.

The associated problem of the rapid uncontrolled introduction of the new technology is a further difficulty for unions. The urgency of this particular problem was highlighted by the efforts of a group of white-collar unionists who formed a working party to investigate the technology and its introduction. This working party held an "All Union" conference in April 1980 to discuss the issue and debate and adopt policy regarding the introduction of new technology. This conference was attended by a wide range of unionists, was held with FoL approval and sanction, and importantly was held in the realisation that it was unlikely that the four day annual conference of the FoL could handle and adequately dispose of, a complex issue such as the technology issue. This earlier conference may be a forerunner of further issue specific conferences that attempt to cope quickly yet in detail with pressing issues. The policy adopted by the April conference was submitted to the FoL conference for further discussion and debate.

The final area of concern for unionists moving into the 80s was that concerned with wage fixing machinery. This was an urgent and pressing problem — and was the first to be tackled by the conference. Since the removal of wage fixing machinery in August 1979 the FoL had had no available machinery to use to press for a general wage increment for all workers. With the introduction of the Remuneration Act and the 4.5% wage order given from September 1979, the FoL had been unable to take a case to Arbitration for an increase to

compensate for an inflation rate increase of 18.4%; food prices inflating at a rate of around 25% and gross wages lagging at 16.6% (the net increase being around 11%).

The scenario then had already been set for the conference — with inflation, unemployment, job protection and wage fixing being the critical issues needing positive, realistic and effective policy about which the union movement could develop unity of action and purpose for the protection and benefit of the workers they represented. Concern had been privately expressed by some unionists prior to the conference, that the conference may become bogged-down on issues concerned with international policy issues such as Afghanistan and Chile, which may have had the effect of dividing the conference and/or “wasting time” — time which some felt was urgently needed to discuss the questions pressing on the home front. Some unionists felt that the Afghanistan issue in particular had the potential to be a divisive one and that the all important unity required to resolve internal problems may have been lost.

LEADERSHIP

This conference was significant in terms of the leadership issue. Sir Tom Skinner had led the Trade Union Movement in New Zealand from 1963 until his retirement at the 1979 conference. Skinner had been a firm and confident leader, an experienced orator, a former Labour MP for the Tamaki electorate, and a competent chairman. In a television interview during the 1979 conference, on the eve of his retirement he stated that he was a moderate — “. . . moderate of thought, moderate of drinking, moderate of action, moderate in all things”. In the same interview, Skinner talked about his role as FoL leader. When asked about dispute handling and settlement, Skinner replied that his first action was “. . . to get the boys back to work and then to go and negotiate with the employer”.

Knox had largely lived in Skinner’s shadow through the seventies and as the new President, it is inevitable that comparisons would be made. The decision to respond positively to the call for a special FoL conference to discuss the Remuneration Act in August 1979 and the move to call the General Strike of September 1979, demonstrated early on that the Knox style of leadership was to be different from the Skinner style. Considerable criticism of the Skinner style of leadership now abounds in union circles, but the fact remains that Skinner led the union movement for over 15 years and during that time he was never challenged successfully and that when he left in 1979 it was because he wanted to retire.

In his opening address, Knox discussed the results of the previous year, and in discussing the most notable result — the Kinleith settlement he ad-libbed from his formal address for over 20 minutes to tell anecdotes about Kinleith developments. Throughout, however, Knox was at pains to point out that he was not acting on his own, but in full consultation with the representatives of the workers concerned and when major decisions were to be made, these were referred to mass meetings of those involved.

“. . . for the policy that I pursued as your President on behalf of the NZFOL and the Trade Union movement. This was not a

struggle between Knox and Muldoon it was a struggle between the trade union movement and the Government's continued threats to take away the rights and freedoms of the movement to freely negotiate with employers . . ."

That there was a new leadership team in operation was further demonstrated by the ease with which the conference moved. Administrative details, many of a minor if not trivial nature, can have a significant effect on the smooth progress of such a large conference. The provision of constant (as opposed to spasmodic) supplies of tea, coffee, biscuits and scones, and the provision of six telephones for outward calls and two for inward calls (as opposed to the two provided in previous years) made an impression on many delegates. There appeared to be a conscious effort on the part of the leadership to move from the grey, drab, poorly lit surroundings frequently associated with "Trades Hall" by providing hired potted plants on the stage, and a spectacularly large white, black and red banner reminding delegates they were attending the forty-third conference of the New Zealand FoL. Perhaps the most important indicator of the administrative competence of the new leadership was the introduction to the conference of a series of remits by the Secretary, Douglas, dealing with the finances of the Federation until 1985 and beyond. The financial programme that was later accepted by the conference appears likely to ensure the financial ability of the Federation, and, more importantly, the presently poorly funded District Trades Councils, to undertake activities of membership education and action.

A further aspect of the leadership issue that is worth examining here is the so called "challenge" to the leadership. The night before conference was due to open, Monday 5 May, Wellington's Evening Post industrial reporter, John Parker, wrote a piece headed "Storm Threatens FoL Conference". In this article, Parker postulated that the conference would be divided — the "right" lead by Electrical Workers Secretary, Tony Neary, doing battle with the leadership. Parker suggested that those who had unsuccessfully backed Neary against Knox in the 1979 Presidential Election, were dissatisfied with Knox's performance and sought to make leadership a conference issue.

Shortly after conference opened on Tuesday 6 May, Neary approached the speaker's microphone and asked permission of President Knox to address conference. Neary proceeded to lambast Parker for his "presumptuous" comments and then told Knox and conference that they would have his full cooperation throughout conference. As conference proceeded, however, it was Neary who led the lobby against the leadership and National Executive recommendations regarding the important issues of wages policy and the adoption of the Working Women's Charter.

The "challenge to the leadership" certainly didn't eventuate through the election process. Under the recently introduced system of election of officers, the President, Secretary and Vice-President are elected for five year terms with the six National Executive members being elected for two year terms (half the Executive retiring each year). Three National Executive members were to be elected for the 1980-82 term and sitting members, Cameron (Canterbury Meat Workers), Russ (New Zealand Carpenters) and Thompson (New Zealand Waterfront Workers) were nominated along with challengers, Gerdelan (New Zealand

Harbour Board Employees) and Kelly (Wellington Caretakers and Cleaners). No election took place, however, as both Gerdelan and Kelly withdrew their nominations. Kelly stating that he felt the existing executive should be returned unopposed in recognition of "the most significant victory the working class had had — Kinleith". Knox interpreted the two withdrawals as a demonstration of the unity within the FoL, though others observed that perhaps Gerdelan and Kelly had the ability to "count heads".

POLICY ISSUES

The annual conference of the FoL traditionally deals with a large number of remits, this year for example, 81 remits were considered. Such remits are concerned with wages, cost of living, unemployment, redundancy, holidays, hours of work, international affairs, relationship with the Labour Party, health and safety, trade union rights, education, taxation, legislation, demarcation, union amalgamation, accident compensation. In this review it is impractical to follow the progress of each of the 81 remits, and subsequently I have looked at two broad categories, international affairs and internal affairs, and in examining policy made at this conference I have selected that which I consider to be the most important and far reaching.

POLICY ISSUES (INTERNATIONAL)

The annual conference of the FoL traditionally concerns itself with relationships with unionists in overseas countries. In recent years the policy of a trade ban with Chile has been a controversial policy and one that has been consistently attacked by the New Zealand Government, as being damaging to New Zealand trade without achieving the aim of supporting democratic trade unions in Chile. With the prospects of a South African rugby tour of New Zealand in 1981, attention has focused on the current position in South Africa and the policies of apartheid and conditions for black workers. The issues of policy regarding Chile and South Africa were developed through the conference and invited speakers from both countries gave delegates accounts of conditions and policies within both countries.

Isabelle Allende, daughter of the former Chilean President, addressed conference in the morning of Wednesday 7 May. Allende chose to discuss the economic policies that are being followed by the present Chilean Government, and saw these policies as having three fundamental objectives. First, the reduction of services provided by the state and a policy of allowing market forces to operate freely. Second, the increasing dependancy and integration of the Chilean economy into the world-wide capitalist system and third, the attempt to offer the widest possible opportunities for attracting foreign capital. Allende denounced the "political and economic repression" taking place in Chile and thanked the FoL for its continued support. She asked that the trade ban be continued in accordance with International Confederation of Free Trade Unions policy and President Knox replied that it was the FoL's intention to continue with the policy "until such time as the struggle has been won for the workers of Chile and for the freedom of those people".

After the luncheon adjournment, Mr Zola Zembe from the South African Congress of Trade Unions, addressed delegates regarding the conditions of black

workers in South Africa. He outlined how white workers go on strike when a black worker has been promoted to do a skilled job; how unions representing black workers are not represented by law and thus cannot negotiate with employers; how the role of the black worker is to constantly "seek permission" for his actions; how if exploitation of black South Africans is to end, then South Africa "must be isolated politically and castrated". Jim Knox, in thanking Zembe for his address, offered the continued support of the FoL and said that "we would stand firm with them shoulder to shoulder in their struggle to achieve their freedom and . . . the right to live on the same standard as whites". Subsequently, it was resolved that affiliates should consider a total consumer boycott of South African goods and that affiliates in the transport group of unions should discuss the implementation of a total trade ban. Other overseas speakers to the conference were Hauneschild of the Australian Council of Trade Unions and Kharleamov of the Soviet Trade Union Delegation.

POLICY ISSUES (INTERNAL)

The first policy issue to be considered by the conference was that regarding the FoL's approach to Government for an immediate cost of living adjustment. The National Executive of the FoL had already considered the matter and had a five pronged recommendation to conference. First, they recommended that their earlier decisions (made on 28 February 1980) be endorsed. Second, that the support of the Combined State Unions be welcomed in the attempt to have the Remuneration Act abolished, an immediate cost of living adjustment and support for the minimum wage concept. Third, that the Executive develop publicity and assist Trades Councils in calling meetings. Fourth, that affiliates seek endorsement for stoppages activity and finally, that an Advocate's meeting be held on July 16 to develop strategy for the 1980 Award round.

The National Executive decision of 28 February was a four-fold approach for action. First, they called for District Trades Councils to organise affiliates to develop approaches to employers for immediate wage increases. Second, they called for conference to support direct approaches to jobs. Third, for the conference to authorise the Executive to call "A fortnight of activity in defence of living standards". Finally, that conference request the Executive to include strategy to Government based on the social interest of New Zealand as opposed to the interests of national and international monopoly operations in New Zealand. Considerable discussion by delegates took place and eventually the Resolutions as outlined were accepted, unanimously.

This was not, however, the end of the matter. Tony Neary two days later introduced a resolution that adopted a softer option towards the question, seeking arbitration (by Judge Horn and a Tribunal) rather than the more direct approach already agreed. President Knox probably made a grave error of judgement in accepting the motion. The issue had been fully debated and resolved — and standing orders did not require the matter to be re-opened. G.H. Andersen, President of the Auckland Trades Council and Secretary of the Northern Drivers Union, moved an amendment "that Tuesday's resolution be reaffirmed". Eventually, conference accepted Andersen's amendment and rejected Neary's but that process wasted an hour of conference's time while Neary raised points of order, challenges to the chair, and called for a time-consuming card vote which

supported Andersen's amendment by 424 to 110.

Knox was certainly generous in accepting Neary's motion — the rationale being that he wanted to be seen to be fair, especially to Neary, in view of the earlier media reports. Such "fairness" however was unnecessary and it was probably more important that the rules of meeting conduct be followed. During the luncheon adjournment that followed, the National Executive took the opportunity to further examine the issue and on the resumption of conference, Knox read a prepared statement from the Executive stating their intention to approach Government immediately regarding living standards and to report on this meeting with a view to getting district councils and affiliated unions to commence the activities agreed. Further, the Executive stressed in this statement the need for unity amongst affiliates if successful results were to be achieved.

LONG-TERM FINANCE REPORT

Finance was one of the major problems facing Ken Douglas when he was elected to the post of National Secretary. Douglas carefully documented the deterioration of the Federation's finances in the period 1974-78 — pointing out that while operating expenditure rose by 79%, income rose only 18%. The National Council of the Federation had accepted in February a long term finance report prepared by Douglas and the National Executive. The Council in accepting the Executive's report had recommended that the report be distributed and voted on at the conference. The report was short but it forcefully outlined the objectives of the trade union movement and the obstacles that were presently preventing those objectives being met. The paper outlined the physical requirements of the FoL in the years to 1985 and set out a financial policy that would enable those requirements to be met.

The 1979 capitation is 70 cents per member. The proposal put forward was that the 1980 capitation be increased by 10 cents; that the 1981 capitation be \$1.00 payable quarterly; that from 1982 to 1985 capitation be indexed; and that 20% of the capitation figure be remitted to the District Trades Councils. The proposal was accepted and in the final session of conference, the necessary constitutional changes to the rules were endorsed. The ease with which the capitation proposals were accepted were indicative of the confidence and ability of the new Secretary, Douglas. Capitation has traditionally been a thorny issue for delegates and the long-term changes that have been adopted represent a realisation that talk and remits about "unity", "action", "research" and "public relations" will remain talk and remits unless the funding becomes available.

CONCLUSION

The 1980 conference concluded with the President, Jim Knox, stating "... it is one of the best conferences I have ever attended..." The leadership question became a non-issue and Knox and Douglas consolidated their positions. The conference gave the appearance of achieving considerable unity of direction amongst delegates and in policy and internal finance matters, laid the groundwork for the trade union movement to tackle the problems of the 80s. Whether that unity was superficial or whether unions in New Zealand have resolved to develop policy and act in a unified way towards resolving mutual difficulties will be revealed as the eighties unfold.