

## CHRONICLE

### AUGUST 1981

Delegates to the National Party conference cheered when the Minister of Labour announced that he would introduce youth rates by legislation, if necessary, in order to find work for the young unemployed. The Employers Federation welcomed the proposal and suggested a rate of half the adult wage, while union and Labour Party representatives warned of the danger that cheap youth labour would lead to greater adult unemployment.

Trade unionists gave their views on the unemployment problem at a special conference on 8 and 9 August, convened by the Federation of Labour and the Combined State Unions. About 300 delegates heard Mr Knox claim that the true number of unemployed was probably around 120,000 to 150,000. Mr Butcher's *Employment Protection Bill*, described by the Minister of Labour as "a simplistic political exercise", was killed in Parliament on 4 August, when the government majority defeated its referral to a select committee.

The Government introduced an *Industrial Reform Bill* on 14 August. It added meat export works, hospitals and the dairy industry to the list of essential industries, gave employers the right to lock out their workers if one group affected production, and allowed the Minister of Labour to refer unresolved disputes to the Arbitration Court for compulsory settlement. Opposition members accused the government of waving the big stick, while the Employers Federation described the Bill as over-cautious.

A postal ballot for two new positions on the Federation of Labour national executive was won by Mrs Joyce Hawe, president of the Clothing Workers Federation, and Mr G.H. Andersen, the president of the Auckland Trades Council and of the Socialist Unity Party. The Minister of Labour expressed his dismay that a second communist had gained a seat on the executive; Mr Andersen replied that his election was due to his work in the trade union movement and had nothing to do with his political affiliations.

The Federation of Labour ordered an independent audit of the books of the Wellington Boilermakers Society. This followed complaints by boilermakers on the BNZ construction site that society officials had failed to account for levies collected on the site and had refused to issue receipts. The Government introduced amendments to the *Incorporated Societies Act* which would give added powers to the Registrar of Incorporated Societies. According to government MPs this was "gutsy legislation" designed to "tear away the secrecy which has surrounded the Boilermakers Society".

The Waiheke bus drivers' strike, which had lasted for nine weeks, was settled on 21 August, after negotiations between the Northern Drivers Union and Mr G. Hudson who was purchasing the business interests of Mr L. Dromgoole. Two drivers laid off were to be reinstated, while the driver whose dismissal was the cause of the dispute, and who had meanwhile left the island and found other employment, received a week's wages.

The two Marsden Point oil refinery disputes continued throughout August. The maintenance engineers and boilermakers were off work (locked out, said the unions; on strike, said the company), while refinery operators gave 14 days' notice of industrial action. Informal exploratory talks, which opened in Auckland on 13 August with Mr Knox leading the union team, broke down two days later. The tradesmen resumed work on 21 August and fresh talks opened in Auckland, but broke down when the unions refused to accept recommendations by the industrial mediator.

Public hospital nurses were "displeased and disillusioned" with a decision of the Hospital Services Tribunal, which rejected their claim for increases of up to 20 percent for principal nurses. They discussed striking but decided that "as a caring profession" they could not take action which would adversely affect patients. They sent telegrams of protest instead to the Minister of Health and lodged a new claim with the Hospital Services Committee.

New Zealand air traffic controllers expressed their support for the strike of American controllers by refusing clearance on the grounds of safety to all civil aircraft bound for the United States. They relaxed this ban a few days later.

About 100 storemen at L.D. Nathan's distribution centre at Wiri struck on 7 August because the company refused to replace two men who had resigned. They resumed work on 17 August but continued restrictive practices until 25 August, when the company agreed to replace one of the men and to investigate a list of 23 staff grievances.

A joint statement by the national carpenters' and painters' unions announced their forthcoming amalgamation. The new joint union, yet to be named and registered, will have more than 18,000 members.

## SEPTEMBER 1981

The Labour Party released its industrial relations policy, which promised a review of all industrial law to ensure it was "relevant, enforceable and constructive". The party undertook to repeal repressive legislation and to enact new laws covering redundancy, work safety, and new work patterns such as part-time employment. The policy provided for a substantial upgrading of arbitration and mediation services, the present Arbitration Court was to be divided into an Arbitration Commission and an Industrial Court, and a national wage policy was to be introduced by agreement between the central organisations of workers and employers. Labour recognised that industrial matters should be dealt with under industrial law and in industrial courts. New technology was to be declared an industrial matter and a legitimate subject for negotiations between employers and unions.

Theatre backstage workers went on to strike on 28 August over the terms of their national award. They were joined by stage actors, and theatres in Wellington, Palmerston North and Auckland were forced to cancel performances. Theatres in the South Island were not affected. The strikers returned to work on 7 September and award negotiations resumed.

The joint skills evaluation committee, which had considered the bank officers' claim for extra pay for new skills, failed to reach agreement. The claim then went to conciliation, but there too agreement could not be reached. Bank officers throughout New Zealand held stopwork meetings in mid-September to discuss the breakdown. The claim was referred to the Arbitration Court for final settlement.

A Levin clothing company, Rixen Agencies, announced that it proposed to close its factory on 7 September and dismissed its 67 staff members with a week's notice. There was no provision for redundancy payments in the clothing trades award, and the company refused union demands for a redundancy settlement. The predominantly female staff responded by occupying the factory on 1 September. The Federation of Labour offered its support and took charge of the dispute; the recently elected executive member of the Federation, Mrs J. Hawe, was one of the discharged Rixen workers.

On 16 September the company director, Mr K. Dungey, asked police to evict the workers who continued to occupy his factory. Messrs Knox and Douglas rushed to Levin to join the sit-in, and the Manawatu Trades Council organised support by local unionists. Negotiations between Mr Dungey and the Federation of Labour broke down, with the company offering an ex gratia payment of \$30,000 to be divided among the 67 workers, while the Federation insisted on a minimum payment of \$38,000 to be shared among the 43 workers occupying the factory. (The others had left and presumably found other employment.) Mr Dungey then laid a complaint of trespass but the police refused to

intervene. He also withdrew his offer of \$30,000 saying "We won't pay anything and that's that. These people are trespassers and we want them cleared out". A compulsory conference chaired by the industrial mediator, Mr M. Teen, failed to break the deadlock. A meeting of 500 Auckland union officials and delegates offered support to the Rixen workers and resolved to "develop appropriate protest action" in case of police intervention. Mr Dungey however declared that he would not call in the police as he did not wish to widen the dispute. Trades Councils in other centres offered support as the sit-in continued into its fifth week.

Negotiations of the general drivers' award reached agreement on 9 September on a 9.3 percent increase. Because of major changes in the structure of the award, resulting from the work of a review committee, most drivers will in fact get increases in excess of 10 percent and up to 12 percent.

Electrical workers claimed a 22 percent wage increase in their award negotiations but accepted a 10 percent rise on 19 September. It was the first double-figure settlement in the current round of award talks, and the Minister of Labour voiced his disappointment. The employers, he said, had lost their nerve, and he warned of possible wage restrictions.

A demarcation dispute between the plumbers' and engineers' unions over pipe repairs held up gas-firing at the Kinleith paper mill. According to union sources, the problem stemmed from legislation which exempted the Kinleith plant from plumbing regulations. After a 22 days' hold-up the two unions agreed to refer the dispute to the Arbitration Court.

The long drawn-out Marsden Point pay dispute was settled on 4 September, when the operators accepted an hourly rate of \$5.56, backdated to last November when the previous agreement lapsed, plus 5 percent from 11 June. The tradesmen also settled their award dispute.

Following a strike in April, Northern District power board officers set up a joint committee of inquiry with their employers to investigate salary relativities. They also reached agreement on a new award on 18 May, which was to include amendments to rates of pay arising from the work of the committee of inquiry. In September the Arbitration Court told the parties that it could not register this award because it conflicted with the clause in the *Industrial Relations Act* providing that wage rates could not be altered before 12 months had elapsed. The power boards refused to implement the award unless it was registered, whereupon the union gave 14 days' notice of industrial action. Urgent negotiations in Wellington reached a settlement whereby the Arbitration Court agreed to register the award backdated to last September, which will make it possible to include the recommendations of the committee of inquiry (which was still continuing its investigations).

Domestic workers in private hospitals achieved the largest wage increase in the current award round with 16.4 percent, additional to the 5 percent general order. The size of the increase was due to a longstanding agreement to bring their wages into line with those of public hospital employees.

Six Wellington tugmasters and marine engineers went on strike on 10 September in a dispute with the Wellington Harbour Board over manning levels. They had been on strike for nine days thirteen months earlier over the same issue, but subsequent negotiations failed to resolve the conflict. The dispute spread to other ports when tugmasters and pilots decided not to handle ships "proceeding to, arriving from or diverted from Wellington". Negotiations between the Harbour Board and the Merchant Service Guild reached agreement, whereby the Board undertook to appoint one additional tugmaster and engineer, and agreed to an annual salary of \$31,000. Work resumed on 24 September.

Waimairi dustmen went on strike on 25 June, when the local Council handed the rubbish collection to a private contractor, Mogal Bin Services. Unionists were arrested for picketing the Council dump and denying access to Mogal trucks. The dispute was settled in September on the basis that a new contractor took over the rubbish collection and the workers involved in the dispute received compensatory payments.

Five windermen who refused to wind newsprint on to rollers because of a pay relativity dispute, threatened to bring the Tasman paper mill at Kawerau to a standstill. The combined unions called in Mr Knox who was able to effect a settlement.

The Seamen's Union picketed the Liberian-registered *Hellespont Courage* when she arrived at Lyttelton on 22 September to take West Coast coal to Japan. The union acted in protest against the exclusion of New Zealand seamen from this trade route and demanded a manning allotment for its members. The United Mine Workers expressed concern that a prolonged picket could jeopardise miners' jobs on the West Coast, and the picket was lifted on 30 September, after the Seamen's Union had received a statement from the Minister of Energy.

Negotiations on a new freight forwarders' award covering Auckland, Hawke's Bay and Canterbury opened in Wellington on 15 September. The union sought a 20 percent wage rise, substantial increases in allowances, and a 35-hour working week, but the employers walked out of the talks because of a strike at the Auckland depot of Alltrans. The union countered by protest stoppages which brought most of the industry to a standstill. The men returned on 29 September to allow negotiations to resume.

A new organisation to represent the interests of middle management was launched at a conference in Auckland on 10 and 11 September. This is the Society of Technicians, Administrators, Managers and Supervisors (STAMS), which was registered as an incorporated society. STAMS is not a trade union, but an advisory body with a potential membership it was claimed, of 200,000. Municipal authorities voted by a 75 percent majority to form their own industrial union of employers.

## OCTOBER 1981

The Prime Minister told the *Auckland Star* on 2 October that if re-elected his government would bring in a wage-tax trade-off by law, if negotiations with the Federation of Labour failed. The Federation, he said, would have to come to the party and "if they're not prepared to, then we'll just have to come back to wage controls". Mr Muldoon repeated his comments on 28 October, when he warned employers against what he called "soft" wage settlements. The executive director of the Employers Federation, Mr J.W. Rowe, expressed concern over the social burdens placed on employers by well-intentioned legislation covering accident compensation, equal pay for women workers, maternity leave and employment protection. Society, he claimed, had bent over backwards to strengthen unions and protect workers, while employers' rights were bordering on the non-existent. Mr Rowe also expressed concern over high redundancy payments, a sentiment which was echoed by the Minister of Labour who announced that the Government might introduce controls governing the size of redundancy settlements.

Parliament passed an amended *Industrial Law Reform Bill* over strong Labour opposition, after dividing it into two separate bills. One of the amendments added pilotage and associated harbour services to the schedule of essential industries.

Mr G.H. Andersen was returned unopposed as president of the Auckland Trades Council; in Wellington Mr G. Clarke, a member of the Workers Communist League, was elected secretary of the Trades Council.

The Rixen redundancy dispute remained unsolved and the sit-in continued at the Levin factory. Some of the sacked workers picketed Rixen's head office in Napier, and the Federation of Labour attempted to cut off Rixen's supplies by approaching other firms. Mr K. Douglas told a seminar in Nelson on 13 October that the unions were challenging the whole basis of law in occupying the Rixen factory, and that they would not comply with any eviction order from the police. The law, he said, was not impartial but inevitably the tool of the employers. The Minister of Labour denounced Mr Douglas's comments as part of a straight communist game. He urged the Federation of Labour, and Mr Knox personally, to disassociate themselves from Mr Douglas's views on law and order, but Mr Knox replied that the Federation would regard police intervention in industrial matters as a serious challenge and that the Federation "would defend its rights".

The meatworkers' award was settled at the going rate of a 10 percent increase. The meatworkers' unions issued a booklet "4 for 5", which set out their claim for a four-day working week for five days' pay, in return for union acceptance of new technology and increased production. The executive director of the Freezing Companies Association agreed that technology would displace people from their traditional work, but claimed that this would strengthen the industry and make it more effective. New Zealand, he said, could not afford to pay five days' wages for four days' work, but the Borthwick CWS freezing company, which owns the Longburn works, announced that it was prepared to discuss the union proposal.

Talks between the union and Borthwicks opened on 21 October, amid a storm of angry criticism from farmers', employers' and government spokesmen, who denounced the union proposal as "absolutely disgraceful", "paid absenteeism" and "simplistic". The general manager of the Longburn plant replied to what he called "scare-mongering nonsense" by explaining that his company expected a large increase in productivity and lower unit costs from the reduced working week. Nonetheless, on 22 October the Prime Minister intervened and told the parties that a 4 for 5 deal would not be acceptable to the government. In the light of that statement Borthwicks agreed to renegotiate the introduction of new technology on a new basis. The meatworkers' union decided to hold shed meetings of members to discuss its response to the "scandalous" government move. Negotiations for an agreement at the Pacific Freezing Company's new Oringi works broke down when the company rejected the union's claim for a four-day week and a say in who should be employed.

The Aircrew Industrial Tribunal heard a joint application by Air New Zealand and the Air Line Pilots Association that pilots of the new Boeing 747s should receive an 8.6 percent margin over DC-10 pilots. This margin was recommended by Professor D.E. Feller of Berkeley University, the independent arbitrator in the pilots' dispute. The Tribunal upheld the recommendation, which gives 30 senior 747 pilots a salary of \$83,184, compared with \$76,597 for senior DC-10 pilots.

Air New Zealand, which faced financial difficulties, proposed to its more than 8,000 employees a 12-months freeze on wages and salaries, to be followed by a modest increase of about 5 percent; a surrender of a week's leave by all employees; and staff reductions of 490 to be achieved by retirement and attrition. These proposals were rejected by all employee groups. Engineers and cabin staff had already accepted substantial reductions of earnings through cuts in overtime and rearrangement of shifts.

A secret ballot of members of the Bank Officers Union approved, by 7040 votes to 3481, a policy of banning major changes or new methods or services, unless the banks negotiated responsibly with the union.

Structural steel work on the 26-storey BNZ building in Wellington was completed and, according to press reports, the 41 boilermakers on the site were to receive up to \$50,000 each in redundancy payments. The Minister of Labour and spokesmen for the Employers Federation and Chambers of Commerce denounced the magnitude of this settlement. Mr Bolger said that the government would now have to look at controls by legislation.

Negotiations on the trend-setting metal trades award, which covers 30,000 workers, opened in late August. The Engineers Union lowered its original claim for a 25 percent wage increase to 16.8 percent but persisted with its demand for a 35-hour working week. The employers countered with an offer of 9.5 percent but rejected the demand for shorter hours. Agreement was reached on 8 October, when the union accepted a basic increase of 10 percent, with increases of up to 12 percent for some tradesmen, but dropped its claim for a 35-hour week.

Award negotiations at the Tiwai Point aluminium smelter broke down after seven days, and on 25 October members of the combined unions (engineers, drivers, electrical workers and storepersons) ceased work for a day. Management staff operated the potlines, but on the 28th a stopwork meeting attended by 650 of the 850 production workers decided to continue with rolling stoppages on a shift-to-shift basis.

Negotiations on the insurance workers' award broke down on 22 September when the employers offered a 9.25 percent rise, but rejected a claim for a 15 percent catch-up which, the union said, was needed to bring salaries into line with those of bank officers and insurance workers in the public service. The union held stopwork meetings throughout the country early in October, which resulted in a majority vote for strike action. The employers indicated their willingness to increase their offer if the union dropped its catch-up claim, but a two-day stoppage started on 8 October. Estimates of the numbers taking part ranged from 60 percent over all (claimed by the union) down to 30-40 percent (claimed by the employers). Negotiations resumed on 12 October but quickly broke down, despite an employers' offer of a 10 percent rise. After another round of stopwork meetings the union decided to refer the catch-up claim to the Arbitration Court.

A new award for workers in restaurants and tearooms enabled employees to work a ten-hour day four days a week without penal rates or overtime. This was believed to be the first time a four-day clause had appeared in an award. Cleaners at the Hutt and Silverstream hospitals went on strike on 16 October because new cleaning contracts reduced the frequency of cleaning and therefore their pay. One hundred and sixty cleaners at the Wellington hospital announced their intention to strike from 31 October because of threatened redundancies.

The clerical workers' award, one of the largest in the private sector, was settled on a 10 percent basis.

The eight months-old dispute over the proposed cancellation of extra leave and special allowances for New Plymouth power station workers was referred to an arbitrator. The Public Service Association and the State Services Commission agreed to accept the industrial mediator, Mr M. Teen, as arbitrator.

Shop assistants covered by the retail (non-food) award gained increases ranging from 9.8 percent to 11.4 percent, while the award covering supermarket workers was settled on the basis of a 10 percent increase for adults and 10.5 percent for juniors. Auckland and Hawke's Bay storepersons and packers also gained a 10 percent increase, but failed to achieve a 35-hour working week. Negotiations for a new freight forwarders' award broke down again, and the union decided to approach individual companies in an effort to conclude separate house agreements. The first company approached was Mogal. When Mogal refused to hold separate talks, 80 workers went on strike on 14 October at the firm's four Auckland depots. They also picketed depots of other companies to prevent Mogal trucks and containers being handled there. Mogal then moved its freight by rail and threatened to close its Southdown depot altogether unless the men returned to work. After some tough talking the union accepted a formula whereby Mogal withdrew its closure threat, the Mogal workers went back to work, and the stalled award negotiations resumed. On 27 October agreement was reached on a basic 10 percent increase for bulk freight workers, with gains in allowances which brought the over all increase to 11.6 percent.

The New Zealand Educational Institute called an urgent special meeting of about 145 primary teachers' representatives in Wellington on 10 October to discuss lack of progress in their salary case, which had been placed before the Education Services Committee in May. They agreed to defer industrial action when the Minister of Education promised to conduct an investigation into the pay disparity between primary and secondary teachers. A date in mid-November was suggested for a hearing, but in the last week of October the N.Z.E.I. again threatened industrial action because of the rejection of a pay claim by the Education Services Committee. Branches throughout New Zealand voted in favour of direct action, with the only reported opposition coming from the Auckland Central branch. The final decision was left in the hands of the N.Z.E.I. executive, which decided once again to defer action.

Bert Roth