

CHRONICLE

MARCH 1991

The parliamentary select committee continued to hear submissions throughout the month on the Employment Contracts Bill. Among interest groups which presented evidence, apart from employers and unions, were such organizations as the Auckland Council of Civil Liberties, the Unemployed Workers Rights Centre and the Maori Council's legislation subcommittee. An Auckland driver who gave evidence in support of the Owner Operators Association was dismissed 2 days later by his employer, Alexandra Couriers, for taking action which "may jeopardize or otherwise adversely affect the reputation of the company". The committee decided to investigate this apparent breach of parliamentary privilege, but its chairman stated later that there had been no link between the dismissal and the man's appearance before the committee.

Labour Minister Birch and the CTU made every effort to gain public support for their view of the Bill. The government mailed a pamphlet to every householder at a cost of more than \$0.25m while the CTU, without access to taxpayer funds, launched a television advertising campaign. Unions throughout the country conducted stopwork meetings, rallies and seminars to discuss the Bill and their participation in the proposed "week of action" early in April. A morning stopwork meeting called by the Northern Distribution Union on 22 March, attended by some 5500 Auckland drivers, store workers and boiler attendants, decided to take the rest of the day off. They also voted to take further industrial action during the week of action and to support a national stoppage if called by the CTU.

School caretakers and cleaners announced a national strike when the State Services Commission demanded clawbacks, such as opening the industry to casual labour. When the Commission dropped its claims, the union withdrew its threat on 19 March and accepted an offer of a pay rise of 14c an hour from 1 June, equivalent to about 1.6 percent. The result, commented a union spokesperson, was very good in the face of the Commission's determination to achieve a zero wage increase in this year's round.

Childcare workers renewed their national award with a zero pay rise, but even then the employers insisted on an early expiry date of 31 July.

After the failure of lengthy award talks the Clerical Workers Union gave notice of a 48-hour strike from 15 March by clerical staff employed by Air New Zealand and 8 international airlines. The union had offered to roll over the existing award with no wage rise, but the employers insisted on changes to rosters and work classifications and the removal of protection for part-time workers, which would, result in considerable pay cuts for some staff. On 14 March Air New Zealand won an interim injunction which prevented the strike, but the union then gave a further 14 days' notice of a 48-hour strike starting on Easter Saturday, 30 March. This time Air New Zealand failed to gain an injunction and the strike went ahead as planned, but the airlines were able to keep planes flying by using management staff to do the clerks' work.

The award for electrical contractors' staff was renewed for an 8-month term with a 2 percent pay rise and a roll over of conditions. The award for about 5000 electricity supply authority employees was renewed for a year with a 3 percent pay rise and some changes in conditions.

New Zealand Steel employees decided at a stopwork meeting on 4 March to strike from 2 April if negotiations for a new site agreement failed. The dispute was settled when another stopwork meeting on 25 March voted to accept a 2 percent pay rise for the year from 11 February, followed by a further 1.25 percent rise for another 9 months. The company agreed to make the terms binding on all new employees taken on after the Employment Contracts Bill became law. Penal rates were retained, but a clause allowed a variation of ordinary hours by agreement with the workers and their unions. The staff also agreed to make what were described as "token" payments for previously free bus services to the mill.

Fourteen major accommodation chains agreed with the Service Workers Federation on 13 March on a new industrial award covering more than 5000 staff in 50 hotels. The document provided improved, portable pay scales with incentives for skills and experience, but in return the unions conceded the abolition of weekend penal rates and the introduction of youth rates and of 4-day 10-hour weeks. It was a deal the unions had to accept as the price of renewing the award, said the chief executive of the Hotel Association. The licensed hotels and taverns award, covering some 15,000 workers, also introduced youth rates and abolished weekend penal rates, while providing a 2 percent pay rise. The settlement, according to the national secretary of the Service Workers Federation, represented excessive use of employer economic and industrial power to reduce wages, but the Hotel Association denied that it had used the threat of the Employment Contracts Bill to force a favourable settlement.

The first company-wide agreement covering some 4000 workers in 46 McDonalds fast-service restaurants provided for a 2 percent pay rise, but did not include youth rates. The company's operations manager said McDonalds was opposed to paying youth rates to people who were doing the work of adults.

In the national concrete products award, which was settled with a 3 percent pay rise for a term to 31 December, the workers agreed to forego the 10-minute morning and afternoon "smoko" breaks in return for an extra half-hour paid meal break. The document also allowed a variation of ordinary working hours by agreement with the workers and the local secretary of the Labourers Union.

In "final offer" arbitration between the Police Department and the Police Association the Arbitration Commission approved the department's offer of a 4 percent pay rise since the last such increase in November 1988. "We gambled everything and have lost the lot," commented the Association's industrial advocate.

The Post Office Union and Telecom agreed on a 2.5 percent pay rise for the corporation's 15,000 staff.

A major shake-up in the Social Welfare Department resulted in the loss of 600 posts and the closure of local offices. The Minister estimated that two-thirds of the disestablished staff would find positions within the department.

Electricorp announced the closure of the Meremere power station on 25 March; 131 staff were asked to take voluntary redundancy.

Negotiations for a new award between Bluff oystermen and the Oyster Boat Owners Association failed and when the season opened on 1 March out of 23 boats only 3 family-operated vessels put to sea, ignoring union pickets. Further talks remained deadlocked. The Seafarers Union, which covers the oystermen, also picketed the tanker *World Spring* in New Plymouth, in protest against Petrocorp registering the ship under the Panamanian flag and employing a Korean crew. "We can't compete against a bowl of rice and a straw mattress," explained a union councillor. The Seafarers Union announced plans to start an indefinite nationwide strike on 3 April, in defence of its award. This would have coincided with the CTU week of action, but on 26 March union president Morgan announced that the strike had been postponed to 10 April.

Polytechnic tutors held a nationwide strike on 15 March after the breakdown of their award talks. They had offered to forego a pay rise in return for retaining existing conditions, but the State Services Commission demanded cuts in annual leave, a

reduction in career maxima and other clawbacks. Ballots taken during the strike showed that more than 80 percent supported further action.

The Waterside Workers Union gave notice on 1 March of a national strike from 19 to 30 March, after failing to gain agreement from stevedoring companies for port-to-port negotiations in the 14 conventional ports. The union had withdrawn a claim for a national award, but the employers insisted on company-by-company documents "in order to compete in the difficult economic environment". When the employers threatened legal action, the union lifted its strike notices on 14 March, after obtaining assurances from most stevedoring companies that wages and conditions would be protected until 30 September. The union also agreed to enter company-by-company negotiations, which its national secretary described as "a dramatic change for us."

APRIL 1991

The CTU week of action against the Employment Contracts Bill brought more than 100,000 protesters into the streets on one day, 4 April, alone. In some smaller centres, such as Whakatane (where 1500 marched) and Pukekohe (350 marchers) these were the largest demonstrations ever seen. *The Dominion* failed to appear on 3 April, *The Evening Post* on 4 April, and the *Christchurch Press* on 6 April. Mass protests were a very crude instrument and the Government did not take much notice of them, commented Labour Minister Birch.

Pressure began to build up, however, for a general protest stoppage. Up to 1000 members of the Northern Drug and Chemical Union ceased work on 8 April and called for a national 24-hour strike on May Day; a meeting of up to 5000 workers in the Christchurch Town Hall on 9 April also voted for a national stoppage and this demand was taken up throughout the country. CTU president, Douglas, however told a Hokitika meeting on 15 April that there had to be an answer other than just leading a protest parade. A conference of CTU affiliates on 18 April upheld Douglas by defeating a proposal for a 24-hour national stoppage by 250,122 votes to 190,910. The state sector and engineers' unions were understood to have opposed the proposal, while service, clerical and distribution workers voted in favour. The conference did however name 30 April as a national day of activity, leaving it to individual unions to decide on what action to take. The Auckland CTU called for a half-day regional strike on the afternoon of 30 April and nationwide some 60,000 workers joined street marches and protest rallies that day.

The parliamentary select committee meanwhile continued to hear submissions on the Employment Contracts Bill. Churches took a strong stand against the proposed legislation, a meeting of Anglican clergy and parish workers calling it "a betrayal of the Christian vision of justice and peace", while the Catholic Network of Religious and Priests, in an open letter to the Prime Minister, denounced the bill as "inherently evil". The Catholic Commission for Justice, Peace and Development declared the bill to be "sinful" and the Catholic Bishops' Conference added its voice to the protests. A suggestion that groups such as Black Power might act as bargaining agents under the new legislation received newspaper headlines and caused widespread concern, but the director-general of the Employers' Federation defended the right of workers and employers to appoint agents of their choice, regardless of any criminal background.

After hearing 230 oral submissions and listening to 502 witnesses over 153 hours of sittings, the select committee reported back to Parliament on 23 April. The amended Bill, described as historic by Government members, retained the abolition of blanket coverage and of compulsory union membership. It established new institutions, called the Employment Tribunal and an Employment Court, to replace the Mediation Service and Labour Court, and it made provision for the exclusion of bargaining agents with serious criminal records. The amended Bill also promoted workplace bargaining as

against industry-wide arrangements by outlawing strikes in support of job contracts covering more than one employer. Personal grievance provisions were extended to cover all workers, and the Bill now included a minimum code covering equal pay, minimum wage, leave and holiday entitlements.

Parliament debated the Bill under urgency, with the Government majority defeating Labour amendments, such as the inclusion of minimum 30-minute meal breaks after 5 hours' work and 10-minute tea breaks each half-day, and making it an offence for employers to threaten to dismiss workers who refused to accept pay cuts during contract negotiations.

A survey by the Sheffield Consulting Group of 300 chief executives, managing directors and general managers from both the private and public sectors showed a typical 10 percent income rise last year.

Reserve Bank staff gained a salary increase in the form of a lump sum equal to 2 percent of their gross pay last year. Staff at 11 Countrywide Bank branches walked out on 19 April in protest against an inadequate "6 + 2" redundancy offer. Work resumed the following day after the bank and FinSec agreed to further talks.

The Building Trades Union called a 3-day national strike from 29 April to 1 May in protest against the collapse of their award talks covering some 8000 carpenters, joiners, plasterers, bricklayers, painters, glaziers and roofers. The union had agreed to split the award into separate documents for each trade and had conceded an extension of ordinary time, but it rejected a demand by employers' for the removal of travelling time provisions.

Air New Zealand clerical workers gave notice of further industrial action over the non-settlement of their award, but they cancelled the stoppages on 3 April after further talks with the airline. Later in the month staff voted to accept a 2.5 percent pay rise but with major cuts in conditions.

The main clothing trades award was renewed for a further year with a 3 percent rise in wages and allowances.

Drivers in the contracting industry failed to renew their award, despite offering to roll over existing conditions for 6 months without any wage rise. Talks on the coach and motor builders' award, on the other hand, broke down because the employers refused to make a pay offer.

The Engineers Union concluded a new motor industry agreement covering automotive repair and parts workers but not petrol pump attendants. The document provided for a 2 percent pay rise, extra tool money, cuts in penal rates and greater workplace flexibility by agreement with workers and union officials.

Firefighters agreed to roll over their current award for another year without pay increases.

Staff in more than 200 rest homes run by religious and welfare groups agreed to a separate award with a 2 percent pay rise and recognition of vocational training. Private employers however withdrew from the negotiations, leaving about half the country's 8000 rest home employees without award coverage. The Service Workers Federation also failed to renew the award covering 20,000 workers in tearooms, restaurants and fast-food outlets. The employers offered a 2 percent rise in return for the removal of penal rates and "restrictions on employment". Union negotiators accused the employers of attempting a "grab and snatch" raid against some of the country's poorest paid workers. The Federation had already concluded a separate house agreement with the McDonalds fast-food chain and it proposed to seek similar documents covering employees of Pizza Hut, Kentucky Fried Chicken and several catering companies.

Public hospital nurses voted overwhelmingly to join other health workers in a 24-hour national protest stoppage on 29-30 April against the Employment Contracts Bill. Hospitals stopped admissions and advertised for volunteers, but on 26 April the Otago and Auckland Area Health Boards won interim injunctions which halted the stoppages. Instead health workers attended unpaid 3-hour stopworks on 30 April, the CTU's national

day of action. That same day the combined health unions reached agreement with the State Services Commission and area health boards to renew 26 different employment documents, covering more than 50,000 members of 40 unions, for a further year with no pay rise. The employers agreed to include provisions for basic union representation rights, including the right to hold stopwork meetings.

State Services Minister Birch warned state sector workers not to expect any pay increases this year, while Maori Affairs Minister Peters proposed that everyone paid by the State, including politicians, should take a percentage cut this year. Only a few days later the press revealed that 150 financial analysts at the Treasury were to receive backdated salary increases of up to 4.9 percent, mostly in the region of \$2500 to \$3000 ("the equivalent of 23 weeks' dole payments for a single unemployed 24-year-old"). Finance Minister Ruth Richardson defended the increases, but the Prime Minister declared himself "troubled" and on 15 April the Treasury cancelled the pay rises.

Public servants were given the choice of voting on 2 options: a carry over of all terms and conditions with no pay increase, or an increase of 1 percent from the expiry of present agreements with a further half percent 6 months later in return for substantial cuts in their redundancy packages. The State Services Commission also offered the inclusion of union rights clauses providing for PSA recognition, rights of entry and paid stopwork meetings, clauses relating to discrimination, the right of new appointees to join the documents the setting up of a joint taskforce to consider improvements in productivity, and the establishment of a "job bank" to give redundant public servants preference for jobs available in other departments. The PSA warned that if members rejected both options, "any future negotiations would be under the Employment Contracts Act with no guarantee of securing a collective contract".

Maritime unionists were told by the Australian Prime Minister on 3 April that his government did not approve the accords negotiated between the Australian and New Zealand seafarers' unions which gave their members a monopoly of the inter-Tasman trade. A day later a joint statement by the Australian and New Zealand ministers responsible for shipping stressed the urgent need for legislation to break the unionist hold. The Shipping Federation did not welcome government plans to open the coastal trade to foreign competition at below award rates, but in its submissions on the Employment Contracts Bill it had called for direct company employment and for an end to the "corner" system, which gave the union a major say in the supply of labour. On 10 April 1100 seafarers went on strike until their awards, due to expire on 30 April, were renegotiated to their satisfaction. "Unless we fight now," said union president Morgan, "the employers will walk over us if the future is governed by the Employment Contracts Act."

The main effect of the strike was on the inter-island ferries, with passengers, cars and freight piling up at the Wellington and Picton terminals. On 15 April the strikers voted to resume work on ships owned by 5 companies which had come to an agreement with the union: Union Shipping, Tasman Express Line, Milburn Cement, Pacific Management and Pacifica Shipping. The agreement provided for a roll over of current awards for a further year with a 2 percent pay rise, the retention of existing redundancy and early retirement schemes, agreement for an integrated ships award and a commitment to the reforms outlined in the recent industry taskforce report. New Zealand Rail, which runs the inter-island ferries, still refused to renew the award for longer than 3 months and the ferry strike continued. The Government ordered the air force to operate an airlift for stranded passengers and their cars, but after further negotiations, which included the Merchant Service Guild and the Association of Marine, Aviation and Power Engineers, Railways on 19 April accepted a 12-month award extension with a 2 percent pay rise. The unions agreed in turn to some staff cuts on the ferries and other concessions said to be worth \$1 million a year, and committed themselves to immediate restructuring talks. The vice president of Federated Farmers described the settlement as "a cowardly cave-in" by an incompetent railways management.

The Seafarers Union was also able to settle the long drawn-out Bluff oystermen's dispute, which allowed boats to resume dredging. On 23 April the Minister of Transport foreshadowed amendments to the Shipping and Seamen's Act which would open coastal trade to foreign vessels and would do away with "corner" registers controlling the supply of ratings to New Zealand shipowners. The chief executive of Union Shipping described the Minister's move as misguided and irrational, while Morgan warned that the introduction of cheap foreign labour would not be tolerated by his members.

The Distribution Workers Federation signed a 12-month enterprise agreement on 15 April with K-Mart stores, providing a 2 percent pay rise. The document, which covers some 800 shop assistants, reduced penal rates for new employees but raised their basic pay. The Federation failed to renew the main non-food retail award covering up to 30,000 workers in talks which collapsed on 23 April. It was prepared to accept cuts in weekend penal rates but the employers made it clear that they did not wish to be bound by an award so close to the enactment of the new industrial legislation.

Education sector unions representing more than 50,000 workers called a national strike on 4 April in protest against the Employment Contracts Bill. This was the first joint action by kindergarten, primary and secondary school teachers, childcare workers, school office staff, cleaners and caretakers, teacher aides and library assistants; it forced widespread closures of schools. On 19 April, 10 education unions offered to roll over their awards for a further year without pay rises, but with the addition of union recognition rights. The State Services Commission delayed a reply, arguing that even with no basic pay increases career grade rises would cost an additional \$25 million, but on 28 April it accepted the union offer and renewed the awards on the same lines as already agreed with the health sector unions. The Post-Primary Teachers Association nevertheless took part in a nationwide full-day stoppage on 30 April in support of the CTU day of action.

MAY 1991

Parliament passed the Employment Contracts Bill on 3 May by a 43 to 24 majority. Dr Cullen, for Labour, described it as "a narrow, bigoted, stupid piece of legislation" which his party would repeal. The Act, he warned, would deliver social conflict, unemployment and massive debt, but a National MP praised the legislation for burying forever the idea of "a socialist dictatorship". The Prime Minister accused the Opposition of believing that all employers were crooks, a claim denied by Labour leader Moore, who in turn charged the government with "bringing back the class war".

The new legislation came into force on 15 May. The CTU warned workers not to sign anything before consulting their union, but Steve Marshall of the Employers' Federation told employers not to abuse their new powers and "simply go out and smash wages". Marshall did however tell the Auckland Chamber of Commerce that labour costs were inflated by "ridiculous" allowances conceded in past award negotiations and he urged employers to review what they paid their staff. Cabinet ministers who addressed an employers' conference on 22 May urged their audience to react positively and to capitalize on the new industrial relations environment by hiring more staff. "Now is the time for the business community which sought all these conditions to get up and go" said Prime Minister Bolger.

The special CTU affiliates' meeting in April had instructed the national executive to compile a "Doomsday Register" of cases of abuse of employer power. Several such incidents were reported soon after the passing of the new act. Staff at a Rotorua restaurant, according to the Service Workers Union, were asked to sign forms, typed by their employer's lawyers resigning from the union. In Auckland the Engineers Union reported that a car dealership had forced its staff under threat of dismissal to sign a document providing a 20 percent pay cut and loss of overtime and penal rates, meal

allowances and other conditions. When the union was called in, the company agreed to withdraw the document.

In Dunedin the Otago Area Health Board asked 3 house-surgeons to sign contracts eliminating overtime pay, penal rates and other allowances. The Resident Doctors Association protested against the board's "standover tactics" and lodged a complaint with the Labour Court, which ordered the board, on 28 May, not to force doctors to sign individual contracts.

An Auckland bakery company was wound up in the High Court on 30 May on the petition of the Bakers Union. The company had failed to pay compensation awarded to a dismissed worker and had ignored compliance orders, fines and costs imposed by the Labour Court. Late last year, when 2 union officials visited the bakery, the owner refused them access contrary to the provisions of the award and called the police who removed the men, arrested them and charged them with trespass. When the case came up for hearing in the District Court on 20 May, the police dropped the charges, but the officials announced that they intended to seek legal costs from the police.

The Distribution Workers Federation signed a composite national award jointly with the Labourers Union for up to 5000 drivers and labourers employed by 62 consenting local authorities. It provided for pay rises of between 2.3 and 2.7 percent, removed the demarcation line between drivers and labourers and gave the employers greater flexibility as regards working hours. The award did not cover cities with their own in-house agreements.

The Engineers Union signed an award covering garage attendants with the Motor Trade Association, which covers 97 percent of service stations. The document provided for a 2 percent pay rise.

The Bluebird food company concluded a composite 12-month agreement with unions representing employees at its South Auckland and Timaru processing plants. It provided for a 2 percent pay rise, but gave the company more flexible working arrangements, including the right to employ school-leavers temporarily on youth rates.

New Zealand Stevedoring, the country's largest stevedoring company, took advantage of the removal of demarcation lines to use watersiders to drive mobile hoists in Auckland. This work was previously reserved for port company employees belonging to the Harbour Workers Union, but a port company spokesman welcomed the move, saying "It is a very visible competition and as a result the performance of our own people is getting better." "The employers are using the workers as a meat in the sandwich" commented the Harbour Workers' Auckland branch president.

The last union to be registered, on 14 May, under the now expired Labour Relations Act, was the Service Workers Union of Aotearoa, a merger of hotel, hospital and restaurant unions with cleaners' and caretakers' unions which had previously cooperated in the Service Workers Federation. Theatrical workers, musicians and northern dental technicians are also part of the total membership of about 60,000 workers, but the new union does not cover hotel and hospital unions in Taranaki Nelson, Marlborough, Westland and Canterbury.

A sit-in at Wellington's largest private rest home Glenbrook House achieved a collective contract with a 2 percent pay rise just hours before the Employment Contracts Act came into force,

Wellington Newspapers Ltd announced plans to lay off 55 staff, reserving the right to dismiss workers if it received insufficient applications for voluntary redundancies. The terms offered were 8 weeks' pay for the first year of service and 2 weeks for each subsequent year. When staff voted to strike indefinitely against the compulsory aspect, the company threatened legal action under the Employment Contracts Act. Workers did not strike when the company received more than the required redundancy applications.

Other major staff losses announced in May were at New Zealand Post (150 staff of the Christchurch Postal Centre), Telecom (more than 500 workers in Northland, Auckland and Waikato) and some 280 Christchurch bus drivers forced out by the

deregulation urban transport. Radio New Zealand announced on 3 May pay cuts of up to 10 percent for staff earning more than \$20,000 a year, as well as cuts in penal rates, shift leave and other allowances. The PSA accepted that the company faced serious financial problems, but it regarded the cuts as illegal and decided to seek a High Court injunction. On 20 May Radio New Zealand agreed to suspend the cuts and to hold talks with the PSA on ways to make savings in personnel costs.

Prison officers conducted a nationwide strike on 2 and 3 May in protest against the Employment Contracts Bill. Internal Affairs staff stopped work in the afternoon of 13 May over a "hiccup" in their award talks, but the PSA was able to renew agreements covering all government departments before the Employment Contracts legislation came into force.

The Woolworths chain signed an industrial agreement with the Distribution Workers Federation and clerical workers' unions covering more than 7000 retail and clerical staff at its 62 supermarkets. It provided for a 2 percent pay rise from December, when the retail food award expires, and retained double-time weekend pay rates for existing workers. New staff, however, were to be employed with time-and-a-half weekend rates in return for extra basic pay. The document did not cover in-store bakers who have a separate agreement with the company.

JUNE 1991

A special affiliates' meeting convened by the CTU on 19 June heard evidence of employers using the opportunities presented to them in the Employment Contracts Act to reduce wages, cut conditions and deunionize workplaces. "In general," said CTU president Douglas, "businesses with serious cash flow problems are taking advantage of the opportunity to pay lower wages." The meeting decided to convene meetings of affiliates and non-affiliates in 10 sector groups to develop a design for future core organizing areas, with a detailed code of inter-union behaviour. Another post-budget meeting was to develop a coordinated approach to collective contract negotiations.

Examples of employer pressure reported during the month concerned a security company giving staff the choice between pay cuts and dismissals, requests for staff to approach management to discuss individual contracts, offers of flat rate pay rises without penal rates, unilateral changes of rosters, and an employment document drawn up by Federated Farmers which, according to a union leader, would reduce farm workers to the status of peasants.

Non-food retail workers, whose award had lapsed, faced problems with 2 major firms, Whitcoulls and Deka. Whitcoulls, a Brierley subsidiary, ceased deducting union fees from salaries and sent its 950 staff a sample resignation letter in case they wished to cancel their union membership. The firm also engaged ex-unionist Rob Campbell, now running a company called Bargaining Agents, as "facilitator" for a new in-house employment document.

The Deka retail chain, a Lion Nathan subsidiary, refused to negotiate pay and conditions of its 1300 staff with the Distribution Workers Federation. A leaked internal memo released by the Federation quoted Deka's personnel manager asking branch managers to "remember that our strategy is to make the union irrelevant". Deka, claimed the memo, "has already provided at no cost what the union now proposes to charge them for."

The CTU affiliates' meeting was reminded that the Minister of Labour had forecast a decline in union membership to 20 percent of the workforce, compared with the current 57 percent level. Some unions took countermeasures to stem the threatened haemorrhage. The Engineers Union launched a 3-week publicity campaign with radio commercials and community newspaper advertisements featuring sporting personalities and interviews with union members. The campaign, said engineers' secretary Rex Jones,

focused on the union as a positive force which offered support and a wide range of professional services to its members.

The Northern Clerical Workers Union, which had lost half its members when union membership became voluntary in 1983, renamed itself Compass, short for Commercial, Professional, Administrative, Secretarial Staff Union of New Zealand Inc. It hoped to attract support from middle management, who had previously been unprotected, and in a glossy brochure it offered members benefits such as "high quality and affordable correspondence courses, union law centres, medical centres, superannuation and medical insurance and discount shopping". According to secretary Dorothy Fraser, the 12,000-member union had received 200 resignations only in the first month of the Employment Contracts Act.

Jagpro, the journalists' and graphic processors' union, instituted a "blacklist" of people who resigned from the union or refused to join it and proposed to make their names available to unions in other countries. The executive director of the Newspaper Publishers Association complained that this action amounted to undue influence on workers to become union members, but a Jagpro councillor replied: "Workers have the freedom not to join and we have the freedom to refuse them future membership, expel them or warn other unions what they will be letting themselves in for if they take on these people. People who aren't eligible for membership in our union are unlikely to be good members of similar unions overseas."

A parliamentary question by Murray McCully, MP for East Coast Bays, elicited the reply that the Trade Union Incentives Trust, administered in the Labour Department, had made available to unions about \$2.5 million since its inception in 1988. Most of these grants were for computer equipment and there had been a rush of grants in the last months of the Labour government. McCully had asked a series of questions about this trust in 1989 and again in 1990 and had received detailed answers listing all grants and their purpose, together with information about the members of the trust and its procedures. Yet in an article in the *Auckland Star* of 13 June he asked, "How come this has all been such a big secret for so long?" and Prime Minister Bolger declared himself "staggered" to discover the amount of money given to the CTU. The *New Zealand Herald*, which had failed to report McCully's questions in earlier years, rushed in with an editorial wishing that the Labour government had been much more open about its generosity to selected unions. The *Herald* did report that Black Power was opening an employment bargaining agent service in Wellington and that it had received a Lottery Board grant to pay for office renovation, computer equipment and the salary of a full-time coordinator.

The Labour Court upheld a wage claim by 14 tradespeople at the Smithfield works near Timaru, who had been suspended without pay during last year's meatworkers' strike. Altogether 250 tradespeople were suspended at 9 Waitaki-Alliance plants and the Engineers Union expected to negotiate settlements at the other 8 works for wage claims totalling in excess of \$91 million.

The Minister of Transport again forecast changes to the Shipping and Seamen's Act, to stop what he called "the outrageously detailed mollycoddling of seamen". He favoured an open coast policy, said the minister, and he urged shippers to take the lead against the union ban on foreign vessels on the trans-Tasman trade. If industrial problems developed, he promised that the government would move fast to make any necessary law changes. Prime Minister Bolger meanwhile promised Nelson and Marlborough tourism and commerce representatives that the government would consider extending the required strike notice on the inter-island ferries from the current 14 to 60 days.

The Seafarers Union failed to win a Labour Court injunction on 28 June to stop the New Zealand Line from dismissing the crew of the refrigerated container vessel New Zealand Pacific in Hamburg and replacing it with British seafarers. The crew then decided not to leave the vessel, which was undergoing repairs in Hamburg.

Unemployment meanwhile continued to rise as further redundancies were announced. Air New Zealand expected 400-500 staff losses over the next year. The Auckland

Regional Council planned 110 staff cuts within 2 months and Telecom negotiated 60 redundancies in Wellington, with more to come. Telecom also phased out its discount on telephone rentals and toll calls for retired staff. The Inland Revenue Department did not renew the contracts of up to 700 temporary staff and Railcorp announced plans to axe another 800 jobs over the next year. Radio New Zealand laid off 50 staff, with a further 75 redundancies still to come. When asked in Parliament why the government insisted on receiving a dividend from Radio New Zealand when the company had to lay off staff to break even, the minister replied, "Because a National government attempts to run New Zealand in a commercial sense and doesn't run its state corporations as welfare societies".

Herbert Roth

- 7 OCT 1991