

## CHRONICLE

### NOVEMBER 1991

CTU Secretary Angela Foulkes forecast that amalgamations would produce up to 20 large unions by 1992, but she also predicted the growth of small workplace-based unions. The Post Office and Electrical Workers' Unions had already decided to merge, nurses were voting on amalgamation of the Nurses' Union and Nurses' Association, education unions were holding joint talks, local government unions were discussing a merger with the PSA, as was NDU, the Northern Distribution Union, with its southern counterpart DAGWU, the Distribution and General Workers' Union. The Food and Textile Workers' Union, itself the product of a merger, decided to approach the Engineers' Union about forming a single manufacturing workers' union.

The Employment Court upheld a ban on pilots' beards imposed by Air New Zealand in 1989. The Airline Pilots' Association had challenged the ban as a breach of pilots' employment contract, but Judge G.L. Colgan, himself bearded, ruled that the airline was not trying to alter work conditions, but was enforcing a safety requirement that flight crew oxygen masks had to be adequately sealed.

CTU President Douglas, heading a combined unions' team, negotiated a three year package deal with Air New Zealand covering some 4,800 ground staff. The deal, still subject to approval by the workers concerned, was designed to protect permanent jobs in exchange for concessions on penal rates, travel allowances, paid meal breaks and other employment conditions.

Fletcher Challenge included the controversial random drug tests in a draft employment contract for construction workers. Also included were compulsory medical examinations and the abolition of penal rates, spreading the 40-hour working week over seven days. "An appalling document that degrades workers," commented the Auckland secretary of the Building Trades' Union. Everything was negotiable, replied Fletcher's employment relations manager, but the company preferred individual to collective contracts.

The New Zealand Clerical Workers' Union, which had almost 15,000 members between Taupo and Otago before the Employment Contracts Act came into force, decided to disband in February 1992. Its members were expected to transfer to sector-based unions. Before disbanding, the union served notice of industrial action on the Public Service Association on behalf of 120 PSA staff, over differences in renegotiating their collective employment contract. This was not the first clash between the two unions: PSA head office staff stopped work in 1974 and it required the Industrial Court to rule, in 1975, that the Clerical Workers' Union had the right to represent PSA employees.

Workers employed by the Society for the Intellectually Handicapped voted overwhelmingly to reject an IHC proposal to reduce staff costs through cutting allowances and holiday and leave entitlements. The cuts were designed to save \$4.2 million; the Community

Services' Union, which represents IHC staff, pointed to financial mismanagement as a major cause of the society's budget problems.

Members of the 20,000-strong Northern Distribution Union voted 5 to 1 to disaffiliate from the Labour Party. The NDU was the third largest party affiliate after the Service Workers' and Engineers' Unions.

The Employment Tribunal ruled that it had jurisdiction in a personal grievance case brought by a courier dismissed by TNT Express, because the contract between the company and its couriers was not that of a joint venture or partnership, but pointed to an employer/employee status. TNT announced its intention to appeal to the Employment Court. If upheld, the Tribunal ruling would give dependent contractors access to statutory provisions regarding holidays, parental leave, employment and wages protection.

Six hundred and fifty South Auckland motor industry workers at three Ford plants gained a 2 percent pay rise. The collective contract signed at each site allowed the hiring of temporary and part-time workers and up to 10 days of plant closures on half pay in case of falling demand. An ordinary 40-hour week could be worked in days of up to 10 hours. At the Thames Toyota assembly plant staff agreed on 4 November to a four-day working week because of overproduction.

New owners Taylor Preston Ltd re-opened the Ngahauranga abattoir, near Wellington, on 11 November with 120 staff, mostly previous employees, and two killing chains. The staff were hired on individual contracts at much reduced pay rates and unions were excluded.

In a secret ballot 230 Auckland harbour workers voted overwhelmingly in favour of striking over a breakdown of their pay negotiations with Ports of Auckland Ltd. His members had "really had enough", said the Harbour Union's Auckland President. "They are fed up with being pushed around, intimidated and threatened - they want an honourable settlement." The union gave notice of an open-ended strike from 23 November; it also sought an interim injunction in the Employment Court to stop Ports of Auckland Ltd laying off 31 workers who had refused to sign individual contracts. The proposed redundancy notices were not genuine, the union claimed, but were part of a strategy to pressure workers to accept new contractual terms. The company replied that it had genuine commercial reasons for issuing the notices in the face of fierce competition. The judge, on 15 November, rejected the application because the union would not have strong prospects of succeeding in a full trial, in view of the constraints imposed by the Court of Appeal in the G.N. Hale redundancy case.

Negotiations to renew the existing agreement due to expire on 18 December between the Lion Nathan-controlled Hancock hotel chain and the Service Workers' Union broke down on 8 November. The union charged that Hancock's preferred document was more extreme than others in the hotel industry, because it sought to abolish all allowances and gave no guaranteed terms of employment. On 29 November union representatives began a canvas outside Auckland hotels for signatures to a petition calling on Hancocks to resume talks and to negotiate a fair contract for its up to 1,900 staff. Signatures for the petition also arrived from the Lion Nathan-owned Castlemaine brewery in Queensland.

The Service Workers' Union negotiated a 12-month collective contract for more than 1,000 Pizza Hut staff, providing a 2 percent pay rise without the surrender of allowances or penal rates. Both sides agreed to look at outstanding issues during the term of the contract, including a new wage structure related to training and competency.

National Mutual insurance staff accepted a union-negotiated 17-month contract with a 1.5 percent pay rise. The national insurance award had expired at the end of October and the staff union, FinSec, was negotiating separate documents with more than 20 companies.

The *Christchurch Star* ceased publication as a daily evening newspaper on 13

November, with the loss of 42 jobs. Bowater New Zealand announced the closure of its Christchurch printing plant at the end of the year, with up to 90 redundancies.

The North Shore City Council signed an agreement with the Amalgamated Workers' Union under which 200 Council labourers gained a 2 percent pay rise in return for the abolition of weekend penal rates and provision for a four-day week. New staff were required to work flexible hours as directed, but a savings clause allowed existing staff to refuse any variation in their hours. The labourers also agreed to eat their lunch on the job rather than return to the depot.

A stopwork meeting of Manukau City Council workers on 11 November decided to resist demands for pay cuts of up to 16 percent. Council workers invaded the Council's regular monthly meeting carrying protest placards. Security staff seized the placards, but the Council agreed to set up a subcommittee to report on the wage negotiations.

After a one-week strike, Downer Mining on 8 November locked out 70 Huntly coal and Waihi gold miners, who had refused to sign the company's non-union employment contracts. The Employment Court on 20 November rejected an Amalgamated Workers' Union application that the lockout was illegal. On 22 November Downer allowed 16 Huntly miners who had signed the contract to resume work; the Waihi miners signed up a few days later.

The Nurses' Association prepared a personal grievance case against the Auckland Area Health Board on behalf of staff nurse Teresa O'Connor of Middlemore Hospital, who had been disciplined for criticising health policy in the *Listener's* Viewpoint column of 7 October. The Board had placed a formal warning on the nurse's personal file and had threatened her with dismissal if she made further personal comments. After a protest rally, a group of supporters invaded the office of the Middlemore General Manager to present a petition. On 27 November the Board announced that the formal warning had been taken off the file, but the union still considered pressing on with its complaint, to seek an apology by the Board and compensation for humiliation and loss of dignity.

New Zealand Post staff extended their existing agreement with no pay increase or change in working conditions. In Rotorua however nine full-time mail sorters, when given the option of voluntary severance or part-time employment, arranged to work two part-time shifts daily separated by six hours: 4:30 to 8:15am and 2:15 to 6:00pm. The Post Office Union reluctantly approved.

The printing-packaging award, signed in 1989, was in danger of falling apart. The first national composite for an entire industry, the award was held up at the time as an example to other industries, because it succeeded in bringing some 6,000 workers covered by 12 unions into a single document. Now however Kiwi Packaging, the second biggest firm in the industry, agreed with its 760 workers on a 2.5 percent pay rise in return for opting out of the award. The largest firm, Printpac-UEB, and three other companies offered their workers a 2 percent rise in an eight-month document, leaving remaining firms to make their own arrangements. The Kiwi agreement ignored unions; they retained a formal advisory role only in the other deal.

Auckland seafarers picketed the Cook Islands-registered *Ngamaru III*, operated by the Cook Islands National Line, which had won a contract to provide a shipping service to the Chathams. None of the multi-national crew was a union member, though most were said to be New Zealand citizens. The Seafarers' Union acted in defence of its traditional right to work coastal vessels, but the National Line gained an injunction in the Employment Court on 4 November, restraining the picket.

The Seafarers' Union succeeded in settling the long-standing dispute over the cement

carrier *Golden Bay*, tied up in Timaru since 28 August. Union and owners announced on 18 November the signing of a collective employment contract covering the 14 crew members, which recognised the traditional "corner system" of crew engagement.

Industrial agreements signed by the Inter-island Line with the three maritime unions removed crew demarcation lines on the Cook Strait ferries, with an estimated saving to the company of about \$4 million a year.

Northern Distribution Union members picketed several New World supermarkets on 26 November, asking customers to shop elsewhere. The action was in retaliation against the owners' refusal to allow union organisers access to staff and their attempts to negotiate new employment contracts without union involvement. "It is a new method which we have had to adopt," said NDU Secretary Mike Jackson, "to ensure that employers know that unions are still around and are going to be here in a hundred years." Police called by the owners made no arrests and the Employment Court advised that it had no jurisdiction to issue an injunction.

The principal of Westlake Girls' High School, on Auckland's North Shore, accused the PPTA of intimidatory tactics, because the school had opted for bulk funding of staff salaries. According to a staff representative, of 53 Westlake teachers who voted on the issue, 43 opposed bulk funding, seven approved and two were indeterminate; up to 30 did not vote. The PPTA branch at Avondale College, whose Board of Trustees had also decided to accept bulk funding, inserted an advertisement in the *New Zealand Herald* of 19 November to tell the public that the college staff had voted 73 to 13 against bulk funding and that the Branch disassociated itself from the trustees' decision.

The PPTA challenged the government in the Employment Court that funding cuts announced in the July budget were in breach of Teachers' Collective Employment Contract because they had not been negotiated with the Union. The Court accepted this argument and issued, on 29 November, two compliance orders against the Ministry of Education requiring a restoration of funds. The ruling, said the PPTA, meant the reinstatement of 105 equivalent full-time positions.

The dispute at the Pacer Kerridge cinema chain was settled with the signing of a six-month national collective agreement, cutting weekend penal rates but increasing the basic hourly wage. The company withdrew eight of 18 redundancy notices, while the unions withdrew an injunction application over the dismissals. They reserved the right however to pursue personal grievance claims on behalf of some workers selected for redundancy.

Rothmans, with a 75 percent share of national cigarette sales, announced 77 redundancies at its Napier plant, with a further six job losses at its Auckland head office.

The Auckland Waterfront Workers' Union applied to the Employment Court for access to Ports of Auckland Ltd confidential files needed to assess whether redundancies at the container terminal's freight movements office were sham or genuine. The Union also served notice of a strike on 19 November by 15 tally clerks at that office, who were to be made redundant that day. On 7 November Ports of Auckland Ltd told the Court that it had agreed to open certain files concerning its container operations. A week later the watersiders withdrew the strike notice and on 19 November the company and CTU District President Bill Andersen issued a joint statement that the redundancies had been put on hold for a fortnight, to allow fresh negotiations with watersiders and harbour workers to reach a settlement. The harbour workers also withdrew their strike notice.

## DECEMBER 1991

In its first survey since the introduction of the Employment Contracts Act on 15 May, the Statistics Department found that adult wages and salaries had risen by an average 2 percent in the year to September 1991. This compares with increases of 4.5 percent in the year to September 1990 and 3.3 percent to September 1989. Robin Clements of United Bank said the EC Act appeared to be having a much bigger effect on wages than expected, but the Employers' Federation claimed that one of the Act's notable successes was to improve levels of workplace communication. Documents negotiated were now specific to negotiating-parties and not imposed "at arm's length." The Act, said the Federation, "does provide a new balance in bargaining relationships."

The government and the Employers' Federation launched an Equal Employment Opportunities Trust to promote education, research and programmes. The Consumers' Institute, concerned that vulnerable teenagers were on their own in negotiating work conditions, urged the government to introduce courses teaching school-leavers their rights as workers and how to negotiate employment contracts. The statutory \$245 a week minimum wage for workers 20 years or over was up for review; the CTU urged the government to lift the minimum to \$270 and to lower the qualifying age to protect young workers, but the government decided to freeze the current rate and conditions. The CTU also launched a campaign, in which it hoped to involve sports, women's, church and community groups, to oppose proposed changes to the ACC scheme in the government's Accident Rehabilitation and Compensation Insurance Bill introduced into Parliament.

Air New Zealand ground staff throughout the country approved by a more than two to one majority the three-year core agreement negotiated by combined unions led by CTU President Douglas. The only dissenters were catering staff. They reversed their vote in Auckland after a meeting on 19 December, addressed by Douglas and Service Workers' National Secretary Rick Barker, but in Christchurch the Hotel Workers' Union refused to be bound by the agreement.

FinSec signed new collective employment contracts with the Bank of New Zealand, replacing the bank officers' national award due to expire at the end of February. The contracts provided for a 2 percent pay rise backdated to 18 December for the bank's 5,000 employees, with no changes in hours or conditions, but with provision for future variation subject to staff consent.

Leading clothing manufacturers signed a collective employment document allowing a 40-hour ordinary-time week to be worked between 7:00 a.m. and 6:00 p.m. Monday to Friday and, subject to staff consent, to be spread over six days. Pay and other conditions remained unchanged, though pay was to be reviewed next August.

Parents of intellectually handicapped clients joined staff in protests outside the Auckland IHC office on 19 December against proposed pay cuts. The Society had threatened to lock out staff unless they accepted new terms of employment by 6 January; it had rejected a union offer to take a 2 percent across-the-board pay cut and forgo a week's annual leave. The Community Services Union applied to the Employment Court to stop the cuts, on the grounds that IHC was unilaterally breaching employment contracts.

The Service Workers' Union advised staff at Hancock hotels and restaurants not to sign the company's "pay-cutting" employment contracts: employees whose ordinary five-day week included Saturday could be 6 percent worse off, while employees whose week included Saturday and Sunday would earn 16 percent less. A union employee dressed in a lion suit

handed out pamphlets denouncing the Hancock deal at Lion Nathan's shareholders' meeting in Auckland on 18 December.

Journalists at five Wellington community newspapers struck on 2 December over a breakdown in their contract negotiations, but resumed work on 10 December to allow talks to resume. Sixty-three *Nelson Evening Mail* journalists and printers returned to work on 16 December after a 16-day strike over computer technology allowances and redundancy provisions. "The company was sitting back and being intransigent, as they can do under the Employment Contracts Act" said the Jagpro delegate. "We felt we were just hitting our heads against the brick wall of the legislation. It was better we live to fight another day."

Seventy North Shore City Council maintenance staff learned that they would become redundant in January, because private companies had won contracts for their work. A group of labourers employed by the Manukau City Council, who were prepared to accept the latest Council proposal for a 12.8 percent pay cut, resigned from the Amalgamated Workers' Union. A union stopwork meeting on 17 December had voted to accept not more than a 4 to 7 percent wage loss.

New Zealand Post drivers at the Auckland mail centres walked out on 1 December over attempts to change their shifts. They resumed normal work next day when threatened with an indefinite lockout and legal action for damages. The Post Office Union did not support the 19-hour strike, but intended to file formal dispute proceedings. New Zealand Post did not grant this year the traditional paid company holiday on 27 December.

A collective employment contract signed for the packaging industry excluded Kiwi Packaging, which had made a separate deal with its staff. The new document had common conditions, but an attached schedule listed varying pay increases for different firms, ranging from 1.7 to 2 percent.

PSA staff withdrew their strike notice after settlement of their employment contract. The seven PSA regional secretaries were given the option of withdrawing from the collective contract. In another intra-union conflict, 25 staff members of the New Zealand Clerical Workers' Union, which was to be wound up by 1 February, were dismissed on 20 December without redundancy pay. They were asked to hand in their car keys, clear their desks and leave. "We were treated like excrement", complained a sacked regional organiser. "We have spent years fighting for other workers who have been unceremoniously dumped, then it happened to us. We are stunned and outraged." The Union denied that dismissed staff had been treated badly.

Auckland Customs staff broke away from the PSA to form a separate Customs Officers' Association, with an initial membership of 300, leaving some 80 Customs officers in the PSA. They were confident they could negotiate a better regional deal, said their secretary; a PSA spokesman described the new union as "more of a let's-use-the-muscle force."

Electricorp announced that it had made 2,419 staff members, more than a third of the total, redundant since its inception in 1987. Productivity had increased from 4.66 to about 8 gigawatt hours per staff member since 1987.

The Northern Distribution Union called off its picket at the Titirangi New World supermarket on 4 December, after satisfactory settlement of the employment contract dispute, including the right of access by union representatives. In another New World picketing dispute, the owner of the Kaikohe supermarket failed to win a High Court injunction on 3 December, after the union undertook not to use loudhailers and to restrict its picket to a maximum of six people. Keith Dignan, a representative of the Auckland Retail Grocers' Association, expressed surprise that the Kaikohe pickets "were not being chased out of town by people with pick handles and baseball bats." "Peaceful Picketing Surprises Grocer",

headlined the *Northern News*.

A new collective employment contract for Foodtown's 4,300 supermarket staff provided a 2 percent pay rise from 20 January, with a higher lift for junior workers. New appointees lost weekend penal rates, but were to be compensated with a margin added for all hours worked. A new contract covering some 700 employees of Three Guys supermarkets also provided a 2 percent pay rise, but abolished penal rates altogether. Existing staff were to receive specific allowances instead, new staff a margin payment.

The Court of Appeal on 20 December overturned an Employment Court ruling ordering the Ministry of Education to reinstate secondary schools funding cuts, which lost about 100 teaching jobs. Teacher unions called on the government to abandon the salary bulk funding trial, which very few schools had accepted, and to enter full discussions on education.

Ports of Auckland Ltd issued redundancy notices on 20 December to 70 watersiders, some 40 harbour workers and 15 foremen. They were to be laid off on 31 January, unless the unions accepted a "more work for less pay" contract put forward by the company. "To drop that on to the families at Christmas is pretty despicable," said the watersiders' branch President Terry Ryan. The unions gave 14 days' notice of industrial action, but expressed the hope that negotiations over the holiday period would find a settlement.

## JANUARY 1992

The Employment Contracts Act had settled in extremely well throughout the market place, said Employers' Federation president Roseanne Meo; teething problems were inevitable with any new law, but some very real benefits were coming through into the economy. CTU President Douglas however noted that trade union membership was on the decline because of the Act and because of continuing redundancies and that the Act was undermining unions "as intended". Of 163 contracts filed with the Labour Department by mid-January, only one was a multi-employer document. Of 95 contracts filed by mid-December last, about half were negotiated by unions nominated by workers as bargaining agents, the other half by outside, non-union agents or by an employee acting as bargaining agent. "For unions to be retaining 50 percent of that particular market", commented Employers' Federation Director-General Marshall, "from their perspective it is a reasonable market share."

CTU Vice-President Ross Wilson, a former deputy chairman of the Accident Compensation Corporation, claimed that clauses in the new Accident Rehabilitation and Compensation Insurance Bill contravened provisions in ILO conventions 17 and 52, to which New Zealand was a signatory. CTU President Douglas warned that moves to replace the health system with insurance-based protection would cause industrial unrest. He cited a United States study which found that in 1989 health benefit disputes were a prime factor in 78 percent of strikes there.

IHC staff voted in favour of a protest strike against proposed allowance cuts, due to come into force on 6 January. The Employment Court rejected an application by the Community Services Union for an injunction to stop the cuts. The IHC action, the Court ruled, constituted a lawful partial lockout, imposed with the object of compelling staff to accept reduced allowances. Some union branches began work-to-rules even before the Court released its decision. When renewed negotiations broke down, the union called a 48-hour strike on 21 and 22 January. According to IHC management, only a third of the staff, 894 workers, walked out on the first night, but the union declared itself satisfied with the

response.

"This was the first strike in the history of IHC", said the union president. "We showed that we are not so easily pushed around" but "it is unfortunate that it took such drastic action to force management to really sit down and listen to what staff were saying." Management indeed took notice. After the return to work the two sides met again and this time they were able to settle the dispute. The union agreed to the loss of one week's annual leave, to the phasing out of senior allowances and to reductions in penal rates for holiday work, but it was able to save length-of-service allowances which IHC had wanted to cut. The overall saving in staff costs was \$2.5 million, instead of \$4.2 million originally proposed.

CTU Secretary Angela Foulkes accused the Minister of Labour of misleading the public during the debate over the introduction of the Employment Contracts Act. Unions, she said, had argued that the new law was designed to strip protections from working people and that it gave employers power to unilaterally change people's wages and conditions, but that the minister had assured people in a householder pamphlet that "Rates of pay would only be altered with your agreement. Your existing entitlement to penal rates could not be changed except by agreement between you and your employer." Minister Birch replied that the IHC ruling was a single decision, which had to be considered in the context of a very complex dispute and that "the unilateral alteration of contracts should not be confused with the parties' right to strike or lock out when the collective contracts have expired, as is the current case."

Honda car assembly staff at Stoke, near Nelson, gained a 2 percent pay rise. Mitsubishi Motors offered its assembly workers at Porirua the choice between renewal of the collective employment contract without a pay rise, or a 2 percent rise in return for a cut in annual sick leave entitlement from 10 to five days. When the Manufacturing and Construction Workers' Union rejected both options, the company locked out its staff on 16 January. The union secretary denounced the lockout as "an act of aggression", the workers picketed the plant to stop assembled vehicles from leaving, but after a day out they accepted the pay rise and sick leave cut option as an interim settlement, subject to review after the first year.

The Engineers' Union failed in a compensation claim on behalf of former staff of Volco Engineering in Whakatane, made redundant in late 1990. The workers had imposed a roster ban in pursuit of a new industrial agreement. The ban was a lawful strike, said Judge Finnigan of the Employment Court, but the attempt to inflict damage "succeeded so well that as a result of it the employer went out of business."

New Zealand Post on 7 January announced the axing of 349 full-time jobs at its Auckland mail centres, blaming an increasingly competitive market and the impending deregulation of the postal industry. The company offered staff the choice of voluntary severance with redundancy pay, redeployment, relocation or early retirement, with a \$12,000 cash resignation incentive. Remaining workers were to lose travel and leave allowances. New Zealand Post's regional general manager promised that a streamlined mail sorting system would speed mail deliveries, but he also admitted that, with fewer staff available, post boxes would be cleared less frequently. On 28 January Postbank announced the closure of regional support centres in Hamilton and Palmerston North, with the loss of 90 jobs, mostly women.

The Auckland Waterfront Workers' Union withdrew a notice of industrial action against Ports of Auckland Ltd issued on 23 December, but it issued a new notice against the stevedoring firm of Leonard & Dingley. When two Napier watersiders were seriously injured on the wharf on 22 January, a port-wide stopwork meeting demanded an immediate investigation by the Ministry of Transport. Safety had slipped since industry deregulation, claimed the union and the Ministry's marine safety manager agreed that the lack of training

of watersiders "seems to be an area of some concern." The union renewed its call for an inquiry when another watersider was seriously hurt at Port Chalmers on 29 January.

Thirty-six woollen workers at the Alliance Textiles Milton mill, who had refused to sign the company's employment document, received lockout notices with their Christmas pay packet. When they returned from their holiday break on 13 January, notices posted on the mill doors and windows told them to report to the main office to sign the contract, if they wished to resume work. Staff who had previously signed the document were able to enter the mill by a back door.

The Milton lockout was a further escalation of Alliance's "very aggressive campaign" to gain acceptance of separate contracts, replacing the collective agreement which had expired last April. "Some employers", commented the Food and Textile Union Otago-Southland Secretary, "give their workers turkeys and chickens for Christmas, but this employer has handed out lockout notices." Alliance Textiles had earlier refused to recognise the union as the staff's bargaining agent, rival "unions" called Independent Thought Societies had appeared at the company's Mosgiel and Redruth mills, and the union had failed in an application to the Employment Court. The court described some of Alliance's tactics as "quite questionable", but the Milton workers themselves gained union recognition after an eight-day strike last October. When negotiations broke down, the company issued lockout notices. There would be short-term pain for some people, but benefits for many others, explained Alliance's managing director. The locked-out Milton workers set up a picket outside the factory; their union appealed for financial help and messages of support.

## FEBRUARY 1992

Labour Minister Birch told an industrial relations conference in Auckland that only 1,404 worker-days and \$141,000 in wages were lost through industrial action in the first four months of the Employment Contracts Act, compared with 220,000 days and \$36 million in wages lost in the corresponding period in 1990. Changes were occurring, said the minister, but through agreement of the parties concerned, rather than through costly industrial disruption. A leading Wellington industrial lawyer, Kit Toogood, drew attention however to the growing use of lockouts by employers to force changes in the workplace. With the abolition of compulsory unionism, he said, lockouts had become "a much more effective weapon", because employers could replace locked out workers much more easily with casual labour. Another industrial lawyer, Michael Quigg, pointed out that the right to lock out staff was the "flipside" of the workers' right to strike and urged employers to exercise caution.

The Asia-Pacific regional committee of the London-based International Transport Workers' Federation met in Auckland in the last week of February. There was no doubt, said the Federation's General Secretary Harold Lewis, that the spirit of the Employment Contracts Act was aimed at breaking down collective bargaining. The European Community's new social charter, on the other hand, recognised collective bargaining as "part of the apparatus of a democratic community". Discussions on the "New Zealand case" were already taking place between unionists and Brussels officials, Lewis reported; some European countries were likely to exert pressure on New Zealand and trading relationships might be affected.

The Auckland District Court ordered the Secretary of Justice to pay \$1,000 legal costs to two Auckland Bakers' Union organisers, who had been arrested in October 1990 and charged with trespass. The men had called at a Ponsonby bakery to interview staff, but the

manager, acting on advice from the Employers' Association, refused them entry and called the police who arrested them, despite their insistence that the national baking and pastrycooks award gave the union unrestricted access to workplaces. The Labour Court ruled in April 1991 that the officials had acted lawfully and fined the bakery for breaching the award. The police however did not drop the trespass prosecutions for another month, by which time the two officials had made five court appearances. They had also spent some seven hours in police holding cells on the day of their arrest.

The Service Workers' Union concluded its first major multi-employer contract under the Employment Contracts Act, when it reached agreement with all major companies in the commercial cleaning industry. The document preserved the basic hourly rate of \$8.62; it cut weekend penal rates from time and a half to time and a quarter this year and abolished them altogether from 1993 but this, the union explained, will not affect the great majority of cleaners, who generally work Monday to Friday only. The Service Workers' Union also reached agreement on a similar deal with major security firms, subject to confirmation at special meetings of security guard members.

The Engineers' Union reported progress in its promotion of a multi-employer metal industries contract to replace the old metal trades award. It had split the document into separate North and South Island contracts, which had received the first adhesions by engineering firms. The union claimed great interest among metals companies and urged members to "let your employer know that you want to be covered by the industry contract."

Breakdowns in employment contract negotiations caused two metal industry strikes on the same day, 25 February. About 150 Engineers' Union members walked out at the Hamilton and Penrose factories of NDA Engineering, a large stainless steel manufacturer, and 110 engineers struck at the Mt. Wellington extrusions plant of Comalco-CHH Aluminium. NDA had offered a two percent pay rise in return for various clawbacks, including management's right to vary individual pay rates according to skill and productivity. Comalco-CHH had offered a 2.8 percent rise offset by cuts in penal rates. The NDA strikers accepted a union recommendation and resumed work on 26 February, to allow negotiations to continue, but the aluminium workers voted to stay out for a further day.

The New Zealand Educational Institute called nationwide paid stopwork meetings of its 20,000 members to discuss claims for a new primary teachers' employment contract.

Striking workers picketed Christchurch Carpet Yarn's Harewood factory on 27 February. When they attempted to block a truck, the company called in police who made 13 arrests.

Herbert Roth

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