

CHRONICLE

MARCH 1992

The government announced on 3 March that a sum of \$300,000 had been made available for six projects promoting equal employment opportunities. The projects would be monitored by the recently established Equal Opportunities Trust and would be aimed primarily at the private sector. The New Zealand Distribution Workers' Federation and the Trade Union Education Authority were among the recipients.

The Labour Department released an analysis of the first 190 contracts signed under the Employment Contracts Act, which showed that a majority of workers (21,330) had suffered pay cuts or had received no increases, while 18,992 workers had received increases. Sixty-five percent of contracts provided for an increase, 23 percent for no increase and five percent for a decrease. Labour Minister Birch claimed that these figures demonstrated an increase in real wages.

Figures also released by the Labour Department in March showed that, while the unemployed had remained almost stationary in February at 216,988, the combined total of unemployed, Access trainees and people on subsidised work schemes had risen that month to a postwar high of 240,844, or 15.1 percent of the labour force. The government introduced legislation relaxing the compulsory six-month waiting period for benefits for workers who voluntarily left their job.

The government also provided a new 55-plus benefit at dole level for workers who lost their jobs between the age of 55 and the qualifying age for national superannuation (raised to 61 from 1 April). New employment contracts concluded after 1 April will not allow for compulsory retirement before this qualifying age, except in special cases, such as airline pilots or police. The government was also considering banning age discrimination in other areas, such as housing and in job advertisements. Discrimination was already banned in job applications on grounds of gender, marital status, religion or ethical belief; if employers were no longer permitted to specify preferred age groups in advertisements, a Newspaper Publishers' Association spokesman expected the use of "creative phraseology", such as asking for an extremely energetic employee. "It means people will find other ways of saying the same things", commented Fletcher Challenge's industrial relations manager.

The Labour Department's Occupational Safety and Health Service announced the opening of files on damages caused by asbestos and appealed to people to register if they had been exposed to asbestos or suffered from an asbestos-related disease. About 50 new cases of asbestos-related disease were diagnosed each year, said the Department's health services manager.

The Accident Rehabilitation and Compensation Insurance Bill passed its third reading in Parliament on 26 March, by 48 votes to 23. It reduced the cost to employers, who were to be no longer responsible for non-work accidents, but imposed an ACC premium of 70c in every \$100 of gross income on wage and salary earners and on the self-employed. Among major changes was the abolition of lump sum payments for permanent injury, suffering and loss of enjoyment of life. The government denied claims by Sir Owen Woodhouse, the originator of the ACC scheme, that its reforms were a cost-cutting exercise.

The Leader of the Opposition released a leaked cabinet paper, which detailed plans to increase taxation on redundancy payments. The PSA described the proposals as "a vicious new imposition upon employees", while CTU Secretary Foulkes charged the government with wanting to shift from a tax on the employer (who would no longer be required to pay fringe benefit tax) to a tax on the victim. State Services Minister Birch confirmed that no final decision had been taken, but stressed the huge cost of redundancies in the state sector: nearly a billion since 1987, with some payments in excess of \$100,000.

Addressing an industrial relations conference in Auckland on 25 March, Employers' Federation Chief Executive Marshall described the Employment Contracts Act as "a transitional evolutionary link" between prescriptive labour law of the past and a future where all contracts were subject to the same legal principles. "Could we recognise," he asked, "that, significant as labour relations are, there may not have to be specific dedicated labour contracts legislation."

McDonald's fast food chain signed a contract providing a two percent pay rise (to a basic hourly wage of \$7.55) for its 4,000 staff in 54 restaurants. Most staff, said the Company, would also benefit from a new system of qualifying benefit payments, which replaced service allowances. The Service Workers' Union agreed to remove weekend penal rates for new appointees, though existing staff would still receive time and a quarter rates on Saturdays and time and a half on Sundays. Employers, noted the union, were finding the distinction between new and existing workers a convenient way to introduce change in working conditions "in the least painful way."

Members of the 15,000-strong Amalgamated Workers' Union voted to leave the CTU. Many workers, said the union's Auckland Secretary, Ray Bianchi, objected to the invitation to Prime Minister Bolger to address the CTU biennial conference and to CTU President Douglas' attendance at a retirement dinner for Sir Robert Muldoon. One of the union's three branches, Central (Wellington) with 5,500 members, opposed the disaffiliation and announced on 6 March that it would not be bound by the national vote, but a fortnight later the national secretary confirmed that all branches had agreed to comply with the members' decision.

A new CTU affiliation was the Electric, Electronic and Related Workers' Union, through its merger with the Post Office Union into the Communication Workers' Union. Another new merger was CURE, the Combined Union of Railway Employees, consisting of the Rail Trades' Union, Locomotive Engineers' Association, and the Railway Officers' Institute.

The State Services Commission announced that national awards in the health sector, due to expire on 30 June, would be replaced by separate documents negotiated separately in each of the 14 health boards. Minister Birch endorsed separate bargaining and the removal of penal rates, but he made it clear that the State Services Commission would be present at all negotiations to protect the Crown's interests. The government, he said, envisaged a competitive element emerging from the negotiating process, but CTU Secretary Foulkes commented that the Minister's speech confirmed the government's intention to break up and privatise the health service. Health sector unions accused the Minister of "declaring war" on their members.

The Minister gave the same message to education sector employees on 12 March, that he did not expect to see existing national documents renewed. No additional funds would be available for pay increases, wage rises had to come from productivity and the government wanted to see savings in the state wage bill. A report released on 9 March by the Education Forum, a new lobby group close to the Business Roundtable, had proposed to put all teachers on individual salaries, to "massively curtail" their employment conditions, and to implement

bulk funding of school salaries. Education unions dismissed this report as a thinly veiled attack on teachers. Minister Birch, charged NZEI Secretary Rosslyn Noonan, was concerned with implementing his "whacky industrial ideology" in the education sector. Nationwide meetings of primary school teachers overwhelmingly supported the retention of a national award and approved strike action if a 'fair agreement' had not been reached by 30 June, when the current document expired. The PPTA President also announced that his members were ready to take "whatever action was needed" to retain their national award.

The Service Workers' Union, too, expressed concern that it would be forced into separate site-by-site negotiations at 2,700 schools for school cleaners and caretakers. The union planned a lobbying campaign aimed at school boards, principals, parents, politicians and other education unions.

ANZ Bank negotiated a two percent rise for some 7,000 ANZ and Postbank staff in a 15-month collective contract backdated to 1 March. The agreement, which for the first time brought into line employment conditions in the two banks, allowed greater flexibility in opening hours.

Five thousand dairy workers, members of the Food and Textile Workers' Union, voted to forgo a pay rise this year, but expected an increase next year, said their spokesman, in accordance with the size of the industry's recovery and other factors.

With the National Electrical Supply Authorities' award due to expire on 31 March, negotiations opened for separate employment documents for each power board. Restructuring had already caused redundancies - 130 in Auckland, 64 in Waitemata, 31 at Valley Power in Thames and 20 at the Whangarei-based Northpower. The Electrical Workers' Union, which anticipated further staff losses, gave notice of industrial action at Auckland and Northpower, after negotiations for an approved redundancy agreement collapsed. These two boards, said the union, could afford more than their offers of eight weeks' pay for the first year of service and two weeks' for each other year. Northpower planned to take legal action to prevent a strike. Waikato Electricity, which had already put about 100 meter readers and other staff on contracts, asked a further 60 line staff and other technicians to become contractors. The workers, said a union representative, were "terrified".

The Employment Court ordered the Engineers' Union to pay \$6,000 costs to Volco Engineering in Whakatane, which had collapsed after industrial action by union members.

The Northern Distribution Union revealed that 15 storeworkers at the Nissan car assembly plant in South Auckland had taken voluntary redundancy rather than accept integration into the general operation under the aegis of the Engineers' Union. Three other storeworkers had joined the Engineers' Union, which had become the company's preferred bargaining agent at the plant. The Manufacturing and Construction Workers' Union complained about "poaching" at the Honda assembly plant in Nelson, but the Engineers' National Secretary Rex Jones insisted that workers were drifting over to his organisation of their own accord. About 350 Toyota assembly workers at Thames won a two percent wage and allowance rise in a new collective employment contract.

Some 75 engineering workers at Cheviot Pacific motor parts plants in Onehunga and Mt Roskill walked out on 18 March, when the company offered a basic pay at the legal minimum of \$245 a week before tax, to be topped up with payments based on management assessment of skill, performance and company profitability. The men went back to work on 23 March to allow negotiations to resume, but that day more than 100 engineering workers downed tools at the bathroom products firm of Clearlite Industries in Auckland in a dispute over a new contract.

Auckland meat workers picketed the Benmore Products plant in Mt Wellington on 18

March, after the company locked out 70 staff. The union claimed that the management had threatened to replace workers who refused to sign a new contract, but on 20 March it called off the picket after the men voted to take the wage cut imposed by the company.

Employers complained to the Minister of Police when police refused to evict a union official from the Argyle Hospital in Auckland. The official claimed that he had a right of entry under the Employment Contracts Act and that the union was preparing evidence for a court case alleging that the employer was threatening to dismiss staff who had refused to sign individual contracts cutting penal rates and other conditions. On 23 March the hospital management had a lawyer waiting when union representatives called again; the hospital doors were kept locked and the officials left after being refused entry. The Nurses' Union announced that it would seek an urgent compliance order from the Employment Tribunal.

North Shore hospital nurses objected to a request to deliver meals to patients on trays, similar to airline food service. According to the hospital chief, nurses at Auckland, Waitakere and other hospitals handed out meals and had no complaints, while at North Shore eight kitchen staff delivered food. The hospital intended to cut costs by having this work done by nurses, though it also claimed that the change would improve the quality of patient care. Nurses who refused to carry out instructions after 6 April would face disciplinary action, not excluding dismissal.

The 10,000-strong Printing Trades' Union, which had already set up a joint Australasian Printing Federation with its 47,000-strong Australian counterpart, decided to investigate a full merger of the two organisations. The idea was not so strange, said their National Secretary, given the degree of trans-Tasman ownership of printing companies. The printers had already withdrawn from merger talks with the Electrical and Post Office Workers' Unions; their close links with Australian fellow unionists date back more than a century, with New Zealand representatives at an Intercolonial Printers' Conference in the Melbourne Trades Hall in November 1888.

Distribution Worker unionists began picketing Chadwicks hardware store in Papakura with a loudhailer on 5 March, to protest the dismissal of the shop's union delegate for distributing what the company called "confidential material". According to the union, the documents related to negotiations for a new employment contract and to wage arrears claims. "We can't get into a position in which the employer determines what information or material we put before our members", said an NDU spokesman. There were conflicting reports over whether the picket reduced shop turnover "by at least 50 percent" (union) or whether it had attracted customers and "was good advertising" (manager), but on 12 March, after talks before the Employment Tribunal, the store agreed to reemploy the delegate and the NDU withdrew its picket.

The NDU also announced plans for a concerted boycott of the large Foodstuffs chain, which comprises hundreds of New World, Pak'N Save, Write Price and Four Square stores and supermarkets. The company had asked staff to sign a no-union contract which cut conditions. "We've been met with American-style tactics," said NDU General Secretary Mike Jackson, "and we will respond with American-style tactics. We think a lot of people will be reluctant to shop where workers are being exploited." The company's contract, he said, was "crook": "They strip away everything and pay the bare bones sort of thing."

Twenty-two locked-out workers, who had refused to sign the company's employment contract, continued to picket the Alliance woollen mill at Milton. Two staff were also locked out at Alliance's Timaru mill. They sent messages of support to locked-out workers at the Christchurch Carpet Yarns factory, who were maintaining a round-the-clock picket. A minority of workers, who had accepted the Christchurch company's contract, continued to

work crossing the picket lines under police protection. Police also kept access free for load-out trucks to enter and leave.

April 1992

CTU Vice-President Ross Wilson urged workers to "stand up, stand together, stand with your union and fight the Employment Contracts Act." Business Roundtable chairman Doug Myers, on the other hand, praised the government's industrial legislation in a speech to the H.R. Nicholls Society in Melbourne on 3 April. Seventy percent of staff at his company's Deka chain of stores, he said, had opted out of union membership and unions were no longer active at the Comalco aluminium smelter, where all 1,200 employees had signed individual contracts. Occupational and multi-employer contracts had become virtually obsolete in New Zealand, claimed Myers; individual contracts, which had taken their place, reduced or eliminated uneconomic penal rates, changed working hours, introduced performance related pay and eliminated inefficient practices.

Labour Party leaders were negotiating a social and economic policy agreement with CTU national officers, based on voluntary wage restraint by unionists in return for an improved "social wage". Labour's industrial relations spokeswoman Helen Clark confirmed that a Labour Government would scrap the Employment Contracts Act, but she did not expect a return to compulsory union membership, blanket occupational coverage by unions or even national unions.

The Association of Salaried Medical Officers lodged a claim with the State Services Commission on 21 April for a national collective contract. The doctors asked for a three percent rise, a figure they described as modest in view of the productivity gains they had delivered. Minister of State Services Birch had told area health boards that there would be no multi-employer contracts this year; a SSC spokesman called the doctors' claim "a bit odd", but the association insisted that a national document was necessary to preserve the unity of the medical profession.

The Electrical Workers' Union (now merged into a new Communications and Energy Workers' Union) called off a power workers' strike against Northpower planned to start on 1 April, after the Whangarei-based board sought an injunction from the Employment Court. A disputed redundancy package was also the reason for a strike notice against the Auckland Electric Power Board. An open-ended stoppage was due to start on 9 April, but this too was called off after Employment Court intervention.

Engineering workers walked out at five manufacturing plants on 1 April. They resumed work three days later at NDA Engineering in Hamilton and at its associated company Protech Engineering in Auckland. At Campbell Tube Products plants in Auckland and Thames the staff returned within seven days, after agreement had been reached in principle for a 12-month contract. Dorf Industries of Papatoetoe, however, locked out staff who refused to sign the company's contract. The technical staff employed by the Automobile Association in Auckland struck for 24 hours on 22 April and threatened to walk out again unless their employment contract dispute was settled to their satisfaction.

Nationwide stopwork meetings of security guards turned down a multi-employer contract negotiated by the Service Workers' Union with major security firms, because the document abolished penal pay for Saturday work. The guards approved a revised draft which abolished penal pay on Saturday morning only and provided time and a half rates for the rest

of the day. The seven firms which signed the contract covered about two-thirds of the industry and other firms were expected to join the document later. The Service Workers' Union accused the Salvation Army of proposing "diabolical" changes in employment conditions for its rest home staff. Despite a 10 percent rise in basic pay rates, the union claimed cuts in penal rates, leave entitlements and allowances would reduce wages by up to 27 percent.

The Nurses' Union negotiated a multi-employer collective contract for medical practice nurses with the General Practitioners' Association. It left hourly wages unchanged, reduced penal rates to time and a half, but improved sick and domestic leave. Only about 250 out of some 2,500 general practitioners signed the contract, but the union was confident that more doctors would join in time.

The Nurses' Union sought a compliance order from the Employment Tribunal requiring the Argyle geriatric hospital in Herne Bay, Auckland to give union representatives access to staff. The union also complained that the hospital had unjustifiably dismissed a nurse who had refused to sign an individual employment contract. The hospital claimed that the nurse had been made redundant on cost grounds but, according to the union, no notice had been received of any redundancy.

Members of 11 unions at the Kawerau pulp and paper mill accepted a deal which rolled over existing terms of employment and provided for a two percent pay rise from 31 December. Staff at NZ Forest Products however could not reach agreement on a new contract. The company proposed cuts in penal rates and bonuses in return for protecting jobs, but union delegate Alan Ware said the company planned to cut 300 jobs by attrition as well as slashing wages. The two sides agreed to delay action until 12 June.

The President of the Police Association told members in a letter that productivity in the force had increased by between 10 and 15 percent from 1985 to 1990 and that the association considered lodging a claim of that magnitude.

At the Auckland printing firm of Moore Business Forms and Systems, where staff had struck in January in protest against redundancies, management issued an ultimatum to accept a pay-cutting deal or lose medical insurance premiums, superannuation contributions and service allowances. The Printing Trades' Union claimed that these were part of the terms and conditions of existing contracts, but the company argued that they were "above contractual" and not subject to legal enforcement.

Electricorp announced a new streamlined structure on 6 April, involving the loss of some 130 jobs in the Waikato, Wellington and in the South Island. The Corporation also planned to break up the national agreement covering its workforce into separate documents for each site. The PSA gave notice of a 48-hour protest stoppage by North Island thermal power station workers from 4 May, but it lifted the threat on 29 April to allow hydro-electric power staff to join the action. The PSA was also locked in battle with Electricorp's engineering and consultancy subsidiary DesignPower, which proposed to cut redundancy provisions and to reduce staff. When DesignPower locked out staff who refused to negotiate a new contract, the PSA failed to obtain an injunction from the Employment Court.

South Island PSA health workers broke away on 14 April and set up NUPE, the National Union of Public Employees. The main reason for the split was dissatisfaction with secret dealings with the Otago Health Board: while committed to defending a national agreement in the CTU Health Sector Standing Committee, the PSA had negotiated a regional document with the Otago board and had made similar approaches to other regional boards. NUPE opened offices in Christchurch; it claimed to have just under 1,000 members by the end of April.

Maritime unionists picketed Wellington's Taranaki Street wharf on 16 April to prevent cattle being loaded on a new Cook Strait ferry, the *Straitsman*. A key point at issue was the refusal of three members of the ship's crew to join the Seafarers' Union. Picketers blocked the gangway while talks took place but, when these broke down, police made 21 arrests on 18 April. The ship was moved to the Glasgow wharf, where it was loaded and sailed for Picton. There too a union picket was waiting. After some scuffles police again intervened and cleared the wharf. The union lifted the picket, the *Straitsman* returned to Wellington with a cargo of stock but, when further talks failed, the ship's operators obtained a ruling in the Employment Court on 24 April ordering the maritime unions to cease picketing until the conclusion of a full hearing of the dispute. The arrested unionists, having pleaded not guilty in the Wellington District Court on 24 April to charges of trespassing, were remanded for a week.

The Distribution Workers' Federation signed a contract covering some 300 shop assistants, storeworkers and drivers employed by the Levene decorating chain. The document converted allowances and penal rates into an all-inclusive simplified salary scale designed to raise job skills. It also included full union rights. The Compass union adhered to the contract on behalf of clerical staff. The Distribution Workers also negotiated a deal for some 1,400 K-Mart staff, providing a 2.6 percent pay rise, reductions in weekend penal rates and the elimination of some allowances.

Confidential briefing papers for school board chairmen on the forthcoming education sector pay round, released by a Labour M.P. on 2 April, revealed that the government expected "savings in remuneration budgets" through school-based bargaining. Teacher unions strongly opposed fragmentation of their national awards due to expire on 30 June, pointing to the logistical impossibility of negotiating separate contracts for 2,700 schools. A national collective agreement, said the PPTA president, was fundamental to the maintenance of a quality national public education service, while the NZEI president insisted that teachers would not let the public education system become run down, commercialised and privatised "as was happening in the public health system". Challenged to say whether teachers could expect pay cuts after June, Education Minister Lockwood Smith denied that he had any intention of cutting teacher salaries, but agreed that he planned to trim \$500 million from the teachers' salary budget by reducing staff in schools with falling rolls. The minister also told school principals that he supported the breakdown of the national award into performance-based employment contracts. A report by Deloitte Ross Tohmatsu, commissioned by the NZEI and the Principals' Federation, showed that primary principals worked on average 63 hours a week and were underpaid compared with similar positions in the public and private sectors.

A delegation of locked-out Milton woollen mill workers visited Christchurch Carpet Yarn workers early in April. The Christchurch Yarn workers maintained their daily picket, as they had done since 17 February, but they also voted to allow CTU president Douglas to enter the factory to negotiate a settlement of the dispute.

May 1992

The first anniversary of the Employment Contracts Act provided an opportunity for editorials and feature articles. Interviews produced predictable comments: government and employer leaders praised the legislation, union leaders condemned it. An exception was an

anonymous retired employer who told the Socialist Unity Party's journal that he had voted National all his life, but now felt embarrassed about the policies promoted by "his government." Economist Brian Easton called in his *Listener* column for "empirical verification", but the statistical data so far presented on the working of the Act were contradictory.

The Labour Department, which published a survey of 260 employment contracts (to 1 April) covering 60,400 workers, found that 79 percent of contracts had been negotiated by unions. Raymond Harbridge and James Moulder, of Victoria University of Wellington, analysed 471 contracts covering 127,000 workers and found that 85 percent had been union-negotiated. "Unions' strength left unbroken" headlined the *New Zealand Herald*, but an Employers' Federation survey of 1,116 contracts sent in by employers with 190,964 staff showed that only a third had unions as bargaining agents. Its survey gave a fuller picture, explained the Federation because, unlike the earlier studies, it also included individual contracts.

An analysis of 250 contracts in the University study found that more than half the workers covered had their pay frozen for the next year or cut. The employers' survey pointed to the removal, reduction or realignment of penal pay as the most significant change, followed by flat payment without special allowances or automatic grading systems.

A large proportion of workers, up to 310,000 in the University study, were still covered by awards and agreements of the old system, or their fate had not been determined. Many of them, mostly in the state sector, had yet to reach agreements with their employers. Labour Minister Birch agreed with the Employers' Federation that a year was too short to consider any widespread review of the Act; the Prime Minister warned employers not to abuse the spirit of the Act by pursuing a low-wage, low-reward policy against the workers.

Minister Birch announced on 7 May that the government intended to scrap the Union Representatives Education Leave Act and would phase out the Trade Union Education Authority over the next year. The Deputy Leader of the Opposition, Helen Clark, denounced the move as "mean-spirited and vindictive"; CTU President Douglas described it as another breach of an International Labour Organization convention.

Auckland Totalisator Agency Board staff wrote to Labour Minister Birch on 15 May complaining that through the Employment Contracts Act they had been forced to accept a new contract with pay cuts averaging 20 to 25 percent. This, they claimed, made "a sick joke" of ministerial assurances last year that wages and conditions could not be reduced without agreement. A TAB manager commented that the Board had been under great pressure to find cost savings and that the deal had been reached through open and free negotiations with the staff.

The Engineers' Union negotiated a national document for automotive and service station staff with the Motor Trade Association and the Engine Reconditioners' Association. The contract, while preserving existing minimum pay rates and conditions, allowed companies to compete, not by undercutting each other on labour costs, but on skills and quality, commented an employer spokesman. With more than 1,000 participating firms, it was the biggest multi-collective contract yet ratified under the Employment Contracts Act. The multi-employer Northern Metal Industries Contract, also negotiated by the Engineers' Union, had attracted 120 company subscribers by mid-April. About 60 Auckland engineering and furniture workers employed by Clearlite Industries stopped work on 13 May after voting in a secret ballot to reject a company contract. Clearlite being a subsidiary of the Australian Email manufacturing group, the strikers sought support from Email staff in Australia, but on 20 May they agreed to resume work, after Clearlite management confirmed in writing that

it had never intended to change work conditions without consent.

The Auckland Freezing Works' Union negotiated a three-year multi-site contract with the Weddel group, covering some 3,000 meat workers. The document comprised a company-wide core contract, supplemented by site documents embodying existing terms and conditions at each of five Weddel export works. Union members had voted to forgo a wage rise this year, but the company was to review wages in succeeding years. Members had the right to return to their old jobs at the start of each season; they agreed not to strike during the three-year term, while the company undertook not to lockout staff.

Twenty-eight staff dismissed after the sale of the Geyserland Resort Hotel in Rotorua picketed the hotel in a dispute over redundancy compensation. On 25 May, they travelled to Wellington to picket the offices of the management firm which had handled the sale.

The South Wairarapa District Council voted to divest itself of all operational and service functions except libraries. Tenders were to be called for the day-to-day running of the Council work and plant and equipment were to be sold. The Amalgamated Workers' Union representative noted that the Council took only four minutes to close down jobs for at least 24 staff, yet spent three times as long talking about cows on the roadside and who would make cushions for the Martinborough library.

The employment contract for a newly opened Hoyts North Shore cinema complex included starting rates of \$4 an hour for under 16-year-olds, no penal rates and no set maximum or minimum hours of work. "This exploitation of workers could only happen under the Employment Contracts Act," complained an NDU organiser. "If Hoyts want families to visit their cinemas, maybe they should stop ripping off their children." A Hoyts Cinemas spokesman replied that new workers were also being hired in the fast food industry without penal rates and at lower basic wages than at Hoyts. Two thousand people, he said, had applied for the 35 jobs at the cinema complex; the successful applicants had accepted the company's collective contract and there was no need for union involvement as none of the workers had appointed the union as their bargaining agent.

The New Zealand Nurses' Union on 7 May signed the one-year national practice nurses contract, which it had negotiated with the New Zealand General Practitioners' Association. The association had refused to include medical receptionists and clerical staff in the document.

Nurses employed at Presbyterian hospitals and rest homes in Auckland, Hamilton and Tauranga announced plans of protesting in a novel way against proposals to cut their take-home pay: a 48-hour hunger strike starting on 10 May. A church spokesman dismissed the action as "nothing more than grandstanding for the media", but nurses at Auckland Methodist Church hospitals decided to join and domestic staff also voted in favour of industrial action. The church agencies claimed that cuts in penal rates and allowances were needed to improve the quality of patient care at weekends, and offered a basic pay increase to compensate. No staff member, they said, would be compelled to sign the new contracts. According to the union, however, the contracts would save more than 13 percent of the employers' wage bill. "It was outrageous," said a union organiser, "that church-linked organisations were treating their staff like this, particularly when the Council of Christian Social Services was roasting the government over its welfare policies."

The two-day hunger strike received much media publicity, but failed to change the employers' stand. The Nurses' Union lodged personal grievance claims on behalf of some Presbyterian Hospital staff who had allegedly been pressured to sign the new contracts. It also sought an urgent Employment Court hearing on an application for an interim injunction to stop Presbyterian Social Services changing the hours and duties of nurses who had refused

to sign the contract. This move, said the union's legal officer, followed the "sad saga of a religious sector employer behaving more like the Business Roundtable than a charitable Christian organisation." The Union also wrote asking Labour Minister Birch whether he regarded Presbyterian Social Services' behaviour as acceptable under the new industrial law, and it wrote to Presbyterian leaders asking whether they regarded the hospital administrators' action as "charitable and Christian."

Presbyterian Social Services outside the northern region had earlier reached agreement with unions on phasing out penal rates over two years with compensatory pay rises. Catholic and Masonic institutions had also signed union contracts, but in Auckland both Presbyterian and Methodist administrators had, complained the Service Workers' Union, consistently tried to by-pass union negotiators, even refusing permission to hold on-site meetings with members.

At the Argyle Hospital, a private geriatric hospital in Auckland, in response to a union application for a compliance order, the Employment Tribunal ruled that the employer had breached s.14 of the Employment Contracts Act and upheld officials' right of access "without delay" to "such of these nurses who signed the union's bulk authorisation form and who are still employed by Argyle Hospital."

The Nurses' Association, which represents public hospital nurses, announced the appointment as co-editor of its Nurses Journal of former Middlemore Hospital nurse Teresa O'Connor, whose critical comments on government health policies in the *Listener* last October had caused the hospital general manager to place a warning (later removed) on her personal file. The Nurses' Association lodged claims for renewing its employment document, including a three percent pay rise, with the State Services Commission and area health boards. It called for a co-operative approach by employers, but the Waikato Board announced plans to reduce weekend and holiday penal rates and overtime rates, and to cut maternity and paternity lump sums and transport assistance. The board also proposed the employment of casual, part-time and temporary staff and different working arrangements, such as four-day weeks. Nurses' reactions, according to a union organiser, ranged from "extreme anger to anxiety."

By arrangement between the Shipping Federation and the Seafarers' Union, shipowners became directly responsible for the employment of their crews from 1 May. The agreement brought to an end the "corner system" introduced in 1976, under which crews were engaged from a labour pool administered by the Ministry of Transport. Also on 1 May, the operators of the new Cook Strait ferry *Straitsman* gained an interim injunction in the Employment Court against picketing by members of the Seafarers' and Waterfront Workers' Unions. Early on 19 May however members of the Kawerau Pulp and Paper Workers' Union, supported by unemployed workers and other sympathisers, formed part of a 150-strong picket in Wellington. They surrounded the mooring ropes and scuffled with police, forcing the ship to sail only partially loaded. The company had earlier lodged a claim against the maritime unions for damages through loss of business amounting to about \$75,000 and for a full injunction against further picketing.

The operators of the new Glen Innes Pak'N Save supermarket in Auckland, which had been picketed by unionists since 2 May over its refusal to negotiate with union participation, served legal papers on the NDU seeking damages in excess of \$279,000 for loss of goodwill and profits, and the cost of additional advertising and the employment of security guards. Their profits, they said, had been affected by the promotion of "under cost" goods to attract customers past the pickets. The NDU saw the claim as acknowledgement of its success in asking people to shop elsewhere.

The Association of University Staff placed advertisements overseas urging academics

not to accept appointments without first making contact with the union and warned them of "the potential difficulties created by the Employment Contracts Act". An association claim that academic salary negotiations were stalled because of interference by the State Services Commission was denied by the chief negotiator of the Vice-Chancellors' Committee. The seven universities, he said, had offered a national collective contract, including a "skeletal" pay scale with minimum and maximum rates within each job grade.

School cleaners and caretakers started a round of stopwork meetings on 11 May to consider a national employment contract. The Service Workers' Union had called these meetings when the State Services Commission refused to consider a national document, but when a large number of school boards requested national negotiations, the Commission changed its stance and agreed to act on behalf of those boards who preferred a national contract. School cleaners and caretakers, more than 5,000 in all, made up over half of the county's non-teaching staff (according to the Education Sector Workforce Census of 1990); 58 percent were women, with an average age of just under 42; 14 per cent only, mostly men, were employed full-time.

Textile workers locked out at the Alliance mill in Milton launched a nationwide petition against the Employment Contracts Act, calling for legal changes limiting the use of lockouts, requiring employers to bargain in good faith during contract talks, and making it easier to negotiate multi-employer contracts. In another longstanding South Island textile dispute, Christchurch Carpet Yarns filed papers with the High Court on 5 May seeking 36 injunctions against the Food and Textile Workers' Union and individual unionists who had picketed the company's factory. That weekend however, after negotiations between CTU President Douglas and the company management, the locked out workers voted to resume work under virtually the original contract they had rejected in February, but with the addition of CTU recognition as their bargaining agent. A majority of the staff, 78 workers, had been locked out; 48 had kept on working under the original contract, while the company had taken on 38 temporary workers to maintain production during the three-month dispute.

JUNE 1992

Patricia Sarr, of the Council of Trade Unions, published a survey of the progress of women in New Zealand unions. Women, she noted, had a very high level of unionisation, they were well represented in the leadership of New Zealand unions and the direction of change in the representation of women in union leadership was consistently positive, but unionisation in general, and particularly the unionisation of women, was under threat. Maryan Street, the Director of the Centre for Labour Studies at the University of Auckland, was more guarded, attributing women's progress to compulsory union membership, which had been jettisoned and was not likely to be reintroduced.

School cleaners and caretakers voted overwhelmingly to strike for two days, 29 to 30 June, in protest against the State Services Commission approach to contract negotiations. The SSC was seeking wage cuts despite the readiness of many school boards to settle at the level of current provisions. On 19 June, the Service Workers' Union called off the strike after the SSC made a provisional settlement. Details were not disclosed, but the union expected that a few cleaners only would lose money in the 15-month deal.

The Association of Salaried Medical Specialists failed to gain a compliance order from the Employment Tribunal, which would have forced the State Services Commission to

negotiate a national contract. The Tribunal ruled that the association would have to negotiate separately with health board general managers. "We're disappointed," said an association spokesman, "but will look to write in certain core conditions when we negotiate board by board".

After the collapse of two weeks of contract negotiations, 170 wage workers began an open-ended strike at Pacific Steel mills in Otahuhu. Two thirds of the workers belonged to the Engineers' Union. At Campbell Tube Products in Thames the Engineers' Union signed a deal which retained the normal working hours of 7.30am to 4.00pm, but allowed the company to hire a second shift which did away with evening penal rates.

The Engineers' Union announced that by the end of June more than 200 companies had signed a metal industries contract, 153 of them in the northern district. More than 100 firms had joined the multi-employer plastic industries contract, while a large number of companies had preferred to leave their employees on individual contracts based on conditions of the expired old award.

The Service Workers' Union rejected a multi-employer document proposed by the Hotel Association and advised staff to negotiate collective deals with individual employers. The conditions offered, a flat rate of \$8.25 an hour with no penal rates or allowances, were unacceptable, said the union, but the Hotel Association's chief executive said the contract reflected "the harsh economic reality and the state of the industry."

Four Presbyterian hospital nurses gained an interim injunction in the Employment Court on 3 June, preventing their employer from changing their hours of work without their consent. The full personal grievance cases are expected to be heard by the Employment Tribunal in August. Public hospital nurses were faced with an option of redundancy or cuts in penal rates and transport allowances. The Wellington Hospital Board estimated the average annual loss at \$1,866, but the Nurses' Association put the net loss at about \$4,500, despite a compensating flexibility allowance of \$1,500.

Thermal power station workers cancelled their strike plans and accepted an Electricorp offer which rolled over existing conditions for a year, with \$500 individual cash payments.

New Zealand Rail announced on 24 June the immediate closure of the Otahuhu railway workshops, with the loss of 97 jobs. The workshops had been opened in 1927 and once had a staff of more than 1,000 workers.

Two senior NDU officials were served with a trespass notice banning them from the Foodstuffs distribution centre in Mt Roskill. They claimed they had been invited to address a monthly staff meeting, but the Foodstuffs general manager claimed the union had no business at the warehouse as the site was covered by a collective agreement that did not expire until January. The officials were seeking legal advice.

Stopworks of primary and secondary teachers supported industrial action overwhelmingly unless the government took a more reasonable approach to their contract talks. The NZEI decided to continue talking, having persuaded the government to "negotiate seriously", but the PPTA decided to strike on 1 July. The main issue in dispute was the State Services Commission's determination to put teachers with positions of responsibility, as well as principals and deputy principals, on individual contracts. According to the PPTA, this would cover about 45 percent of its members and would be "obviously unacceptable."