

## Chronicle

### November 1993

Nick Smith, the government MP for Tasman, who had crossed the floor in July in support of a private Labour bill demanding a youth minimum wage, urged the government on 19 November to introduce such a wage by regulation under the Minimum Wage Act. This, he hoped, would smooth off some of the rough edges of the Employment Contracts Act to make it more acceptable. The CTU, in a submission to the government, wanted the minimum wage raised by \$35 to \$280 (or \$7 an hour) for a 40-hour week for all workers over 18 years of age, with a graduated rate for those under 18. The present minimum wage of \$245 a week applies only to workers over 20.

A minimum wage was a "simplistic response", commented the Employers Federation; "it would be terribly sad," it said, "to take action which harmed the ability of young people to get jobs." Elizabeth Tennet, the Labour spokeswoman on employment, pointed out however that since the Employment Contracts Act took away protection from young workers, the number of teenagers in work had declined from 127,400 in March 1991, to 103,000 in September 1993. "Exploitation of young workers has to stop," she said. "Young people must have the protection of minimum wage rates. It is only unscrupulous employers who benefit under the status quo."

Figures released by Statistics New Zealand showed that in the first six months of this year pay rates rose by 0.6 percent, but only 24 percent of those surveyed got an increase, one percent had their wages cut and 75 percent experienced no wage change. If allowance was made for the one percent increase in inflation in the same period, said an Opposition spokesman, an increase of 0.6 percent amounted to a 0.4 percent pay cut.

In a test case taken by the Engineers Union, the Employment Court ruled on 29 November that 57 Ansett engineers were entitled to days off in lieu of public holidays at ordinary rates. An Employers Federation spokeswoman urged employers to renegotiate penal rates either on the expiry of employment contracts or by gaining staff agreement to earlier variations "to ensure the effect of the law is cost neutral."

Fourteen process staff at Chemby Vinyl in Onehunga went on strike early in November in opposition to a management plan to cut their shifts from 12 to eight hours a day. This proposal, according to their union secretary, would cut \$250 off the gross weekly pay of about \$1,000 now received for working four 12-hour shifts. The company sent the strikers letters threatening to "close down the business" unless a new contract was signed by 5pm on 26 November but, after a long day of unsuccessful negotiations, the workers decided to ignore the ultimatum and to continue the strike. Chemby Vinyl is a subsidiary of Australian owned Pacific Dunlop. Fearing that Pacific Dunlop might import vinyl directly, the Northern Chemical Workers Union sent messages to the Australian Council of Trade Unions seeking support to stop shipments. It also feared that Chemby Vinyl might use the



dispute as an excuse to close its doors and relocate in the South Island where labour is cheaper.

Presbyterian Support Services Northern Division issued notices of a partial lockout to some 80 employees who had held out against a collective employment contract which removed penal rates in return for a 10 percent wage rise. The notices aimed at abolishing penal rates in northern rest-homes and hospitals from 6 December. The Service Workers Union accused the employer of "carrying on as though Genghis Khan just got elected," rather than a National Government with a "wafer-thin" majority. "This Church-linked organisation," it said "has again shown its true colours as an employer by cutting the pay of some staff so soon before Christmas." Presbyterian Support Services was already in dispute with the union over the Court of Appeal ruling on holiday pay.

Some 40 medical laboratory staff employed by Waitemata Health at its Waitakere and North Shore hospitals served notice of a four-day strike from 12 November. They had not had a pay increase in four and a half years, despite increasing productivity by 87 percent in that period. The hospitals offered a five percent rise, but the workers said they needed a 10 percent increase to cover inflation. When the laboratory staff returned to work, they learned that Waitemata Health had agreed to a 10 percent pay rise for its senior doctors on their existing annual base salary of about \$83,000. Management "had shot itself in the foot", said their union delegate; its pleas of poverty did not ring true when the total salary bill for laboratory staff came to \$800,000, compared with more than \$4 million for the medical specialists. On 18 November the union and Waitemata Health issued a joint statement announcing settlement of a new collective employment contract for an extended 18-month period. Details were kept confidential but the salary rise was believed to be seven percent.

South Auckland hospital doctors meanwhile were believed to have won a 20 percent pay rise. Whakatane laboratory workers and resident doctors employed by Eastbay Health had also announced a strike from 12 November in pursuit of a joint collective contract. They called it off after agreeing to go before a mediator with power to make a binding decision.

Unrest continued in the hospital service. Fewer nurses, said the Nurses Organisation, were coping with more patients and they were not being adequately rewarded for the extra work. In South Canterbury 490 nurses rejected a one percent pay offer and struck for 48 hours on 2 and 3 November in support of a five percent increase now and the same for next year. Four hundred Wanganui nurses planned a walkout that same week but cancelled it pending further negotiations. They were demanding a five percent increase to make up for pay cuts last year. Some nurses, said their union organiser, had lost \$5,000 a year in take-home pay because penal rates had been changed.

Otago nurses called off further industrial action, saying that enough progress had been made on their claim for a shift allowance, but Wanganui nurses voted to reject a 2.5 percent pay offer and decided to hold a three-day strike from 16 November in hospitals in Wanganui, Marton, Raetihi and Taihape. Some 400 Wairarapa nurses also walked out for three days on 16 November. They were holding out for a six percent increase and rejected an offer of a one-off bonus payment and a pay review in the next financial review. Some 700 nurses employed by Midcentral Health started a three-day strike on 22 November in



hospitals in Palmerston North, Levin, Featherston, Fielding and Dannevirke in support of a five percent pay claim.

Private nurses at Christchurch's Southern Cross hospital staged a three-hour strike and picket on 2 November, followed by a work-to-rule. When further limited action on 25 and 26 November brought no results, they decided to give notice of a 24-hour strike and bans on overtime and the filling in of forms.

The Police Association decided to leave the CTU from the end of the year to cut costs. Police officers never really regarded themselves as part of the mainstream union movement, said their secretary, but had enjoyed a "pragmatic membership" of the CTU. Ray Bianchi, of the Amalgamated Workers Union, commented that the CTU should have "kicked out" the Police when it had the chance.

Some 3,300 Justice Department staff members in courts, public registries and the probation service received a bonus of \$1,000 each for helping the department cut its annual expenditure. Some 2,500 prison guards and support staff in the penal division however, were excluded because, said the department, they were already receiving a productivity payment (the muster allowance) when gaol musters increased. Prison officers were reported to be "ropable"; the department, they claimed, had been dishonest during contract negotiations earlier in the year when it told union negotiators that it had no money for a pay increase or a productivity agreement.

There had been speculation for some months that New Zealand Rail was planning to make up to 1,000 workers redundant after the general election. The company did not confirm these rumours, but in November 69 workers were paid off at Transtec Hillside, 29 at Transtec Hutt, 28 in the rail technology division, mostly in Wellington, and about 70 staff through the merging of head office functions and the implementation of a new computer system. The managing director anticipated a total of 200 lay-offs by the end of the year.

## December 1993

Politicians received a 2.3 percent pay rise by decision of the Higher Salaries Commission, backdated to 1 July. The increase took the Prime Minister's pay to \$172,500 and ordinary MPs to \$67,500. Meanwhile the latest figures for full-time wage and salary disposable incomes showed a fall of 0.7 percent in the year to September. Politicians' pay however, was more clearly linked to movements in executive salaries which in the past year moved by 4.1 percent, according to the PA Consulting Group's salary survey.

A Heylen Research Group survey, released by the Minister of Labour on 22 December, showed that 46 percent of workers had had an increase in their overall take-home pay for the year ended September, 39 percent had had no rise and 15 percent experienced a decrease. Seventy-one percent of employers favoured the Employment Contracts Act, compared with only 36 percent of workers, but 73 percent of employees were satisfied or very satisfied with their terms and conditions.



Two employers' organisations, the Hotel Association and the New Zealand Association of Retail Grocers and Supermarkets, questioned the Labour Department's interpretation of the Holidays Act and urged the government to overhaul it. Because of the growing number of seven-day industries, they claimed, the Holidays Act was outdated. The Labour Department replied that advice issued by the two organisations conflicted with its own interpretation of the law. Peter Conway, national industrial officer of the NDU, commented that "many employers complaining that the Holidays Act was unfair to weekend workers were the very ones who 'ripped out' penal rates for working on Saturday and Sunday in the first place".

Various employers continued to test the holiday ruling. Ansett decided to appeal against the Employment Court's unfavourable ruling concerning 57 Christchurch engineers. Air New Zealand sought a variation of a three-year agreement concerning the core conditions of its ground staff; the judge refused to make a final ruling but he indicated that he would not allow lieu days to be unpaid, regardless of the level of penal rates, nor did he favour varying the core agreement.

Auckland Methodist Hospital nurses objected to a "novel" interpretation of their holiday contractual obligations by the Methodist Mission management, and a painting and waterproofing firm, Auckland Property Registration Ltd, invited its ten employees to sign declarations agreeing to work in the Christmas and New Year holidays without claiming days off in lieu. The principal of the firm claimed that this was done on the initiative of the staff themselves, but the Labour Department pointed out that workers could not "contract out" of the Holidays Act, even if they wanted to, and that signed declarations would not absolve the company from future claims for lieu days off.

Figures released by Statistics New Zealand showed an increase in work stoppages in the year ended 31 August to 60, compared with 50 in the previous year. Working days lost rose sharply in these two years, up from 40,017 to 107,213, as did the cost of wages lost, up from \$5.1 million to \$18.8 million.

The Minister of Labour announced on 24 December that the existing minimum wage of \$245 gross per week, or \$6.12 an hour, would be frozen for another year. It has remained unchanged since 1990. CTU economist Peter Harris accused the Minister of "total indifference" to low-paid workers, the "most vulnerable part" of the workforce. The secretary of TUF, the Trade Union Federation, said the timing just a few days after MPs had got their pay rise, was "insulting". The Employers Federation, however, which had argued that in a low-inflation economy an increase in the minimum wage would be "inappropriate", supported the decision. The minimum wage, it said, was a potential barrier to new workers as it could discourage employers from hiring staff with few skills.

Unionists intended to lobby MPs in an attempt to reform low-pay legislation. A law on youth rates was expected to be on the agenda of a three-day National caucus retreat in Nelson in February and, in anticipation, the Employers Federation circulated government caucus members with an alternative to legislated pay levels. The proposal involved extending training allowances to 16 and 17-year olds at a "relatively small budgetary" cost (to the taxpayer).



Junior hospital doctors were expected to receive millions of dollars as the result of the settlement of a long-standing meal money claim by their union, the Resident Doctors Association. Apart from the Northland and Nelson boards, all 14 area health boards had stopped providing free meals to junior doctors who worked during their meal breaks. The union's claims covered the years between 1987 and 1990, and in August the Auckland Area Health Board agreed to pay out over a million dollars to about 800 doctors to settle the issue. The former Waikato board took legal action, but the Court of Appeal in October upheld the High Court ruling. The union estimated that boards outside Auckland owed about \$5 million and further claims relating to the years after 1990 have been filed with the High Court.

Courier drivers are unable to go on strike as they were deemed by the Court of Appeal to be independent contractors, not covered by the Employment Contracts Act. On 6 December however they took concerted action against the largest employer in the field, New Zealand Couriers Ltd, which was trying to force drivers to sign new individual contracts stipulating that the company could require them to work 24 hours a day, seven days a week and allowing the company to cut pay rates at just seven days' written notice. The protest by dozens of red courier vans choked Cook Street in Central Auckland, the company's main city depot, by vans arriving back all at once, in a slow-moving procession, which put pressure upon tight freight-processing schedules.

The drivers next considered stepping up their action by following the letter of the law in observing speed limits, taking required rest breaks after five and a half hours and driving for not longer than 11 hours a day. They were also preparing a legal challenge, and on 13 December about 40 protestors, mainly drivers' wives and children, again picketed the company's depot. These pickets continued, but on 20 December the drivers decided to hold off any further action unless the company tried to force new contracts on them.

A three year industrial impasse was ended when Auckland City Council staff voted with an 87 percent majority to endorse a new two year collective employment contract. The new contract covers 740 non-managerial salaried staff, while 380 management and supervisory staff remain on individual contracts. A PSA organiser commented that the high vote in favour was not so much a measure of enthusiasm for the deal as an indication of resignation that nothing better could be gained. While staff will receive a two percent salary rise, the contract includes a number of cutbacks, such as an extension of the working week from 37½ to 40 hours and the loss of three days' leave between Christmas and New Year. In return the Council agreed to a number of "buy-outs", such as one-off extra leave. About 150 new staff who were hired on individual contracts will be entitled to join the new collective contract, but will not qualify for the buy-outs.

Four men arrested at a picket last March at E. Astley's Tannery in Auckland had charges against them dismissed in the Henderson District Court on 21 December. Four other men arrested at the same picket had their charges adjourned for their participation in a police diversion scheme.

The Service Workers Union decided to open its welfare fund to assist members who had been "locked out" of contractual penal rates by their employer, Presbyterian Support Services, and were losing as much as \$100 a week.



Northland nurses and other health workers, members of the Nurses Organisation and the PSA, voted overwhelmingly to reject a combined collective pay and conditions deal offered by Northland Health, which included a one percent rise now and another one percent rise next July. They decided to hold a secret ballot about direct industrial action. In Rotorua, too, nurses discussed possible strike action after contract negotiations with Lakeland Health broke down. Rotorua nurses had not had a pay rise in four years; they asked for a 6 percent rise but the Crown Health Enterprise responded with a nil wage offer. Wage talks between Midcentral Health in Palmerston North and the Nurses Organisation resumed on 10 December. Some 700 nurses had held two and three-day stoppages, but later in the month a 75 percent majority ratified an agreement for a two-year contract with undisclosed pay rises each year.

The Communication and Energy Workers Union confirmed that it was laying off 23 out of 67 staff members as a means to reverse a deficit of more than a million dollars. Remaining staff were facing pay cuts of between four and nine percent. "The plan" said the union's chief executive Dave Udy, "is focused on ensuring that the union survives for the future for the benefit of members." CEWU had lost about 10,000 members in recent years.

The Employment Court allocated a hearing date in early February for a legal challenge to the cancellation of free passes on Auckland Regional Council buses. Apart from the Tramways Union and PSA, the plaintiffs are four pass holders, representative of past and present pass holders.

On 7 December, 100 weeks had elapsed since 40 workers were locked out at the Alliance Textiles mill in Milton because they refused to sign an employment contract. Thirteen of the workers were still picketing outside the mill once a week, on a day chosen at random. On 7 December they were joined by 23 members of the Education Action Group and the International Socialist organisation, who took the opportunity to show solidarity with the locked out workers and to protest against the Employment Contracts Act and its effect on pay and conditions nationwide.

## **January 1994**

In an article published in the *New Zealand Herald* of 17 January, the new Minister of Finance, Bill Birch, described the Employment Contracts Act as "a building block that will remain firmly cemented in place." "There is no credible evidence," he wrote, "that higher inflation will lead to more jobs."

The Labour Party announced plans to introduce a youth minimum wage bill in Parliament early in the new session. "It is probably the first time we could get a majority," said the party's spokesman, Steve Maharey. "We probably have 55 MPs who would support it."

The Alliance held talks with the Trade Union Federation on 28 January. Both sides described the talks as successful and said they had agreed to establish formal communications. The Alliance also met representatives of the CTU and PSA that week.



Some 92 nurses and domestic staff at two Auckland church-run geriatric hospitals struck for 48 hours from 6 January. The hospitals affected were Hillcrest at Mangere and St. Margaret's in Te Atatu, both run by the Christian Hospital Trust Board, which had refused to restore some conditions removed in the previous pay round. According to a union spokeswoman, only seven of the Board's 200 unionised employees in Auckland had gained wage rises in last year's pay round under a new merit-based pay system, while some workers had lost about \$70 a week by the abolition of weekend penal rates, as well as the reduction of sick leave from ten to eight days a year.

The Trust Board's chief executive claimed that the rates offered for weekend work were still better than other hospitals offered. After the strike the nurses threatened to strike again at an undisclosed time unless the Board resumed negotiations. A union spokesman also questioned the frequency of police visits to St. Margaret's where they acted, he claimed, as a tax-paid taxi service to escort strike-breakers to and from the site. One of the strike-breakers, a management nurse brought in from another site, was married to a police sergeant and the Trust Board's business manager argued that a nurse who expected to have trouble getting past a picket had a right to call on her husband to escort her, no matter what his occupation. Negotiations resumed on 18 January and led to a proposed settlement.

Meanwhile, after pay talks collapsed at public hospitals in Rotorua and in Northland, the unions gave notice of four-day strikes starting on 1 February. In Rotorua 260 nurses at the public hospital were affected, but in Northland the strike notice covered almost 1,200 employees, nurses as well as some 300 PSA members - physiotherapists, occupational therapists, psychologists, health protection workers and clerical staff - in Northland Health's seven hospitals in Whangarei, Dargaville, Kaeo, Bay of Islands, Kaikohe and Kataia. Northland Health offered either a one percent pay rise now and a further one percent in July, or a 2.5 percent pay rise in July, but the staff demanded a 2.5 percent rise now and a further 2.5 percent in July. Rotorua nurses asked for a six percent pay rise and a re-examination of staffing levels.

In anticipation of the strikes, both crown health enterprises cancelled elective surgery and non-acute admissions and discharged as many patients as possible while transferring acute cases to hospitals elsewhere. Appeals for volunteers to help during the strike were poorly responded to, reflecting the wide public support for the nurses' action. In a letter written before Christmas to Health Waikato, the Ministers for Finance and for Crown Health Enterprises had warned that no money was available for pay increases. "There is no provision for increased wage costs in any part of the state sector, including the health sector," they wrote at the time the MPs were awarded an increase of 2.3 percent by the Higher Salaries Commission. The letter was made public by the Coalition for Public Health which commented that crown health enterprises had become "government stooges to implement politically embarrassing policies", and that the government was manipulating organisations which were supposed to be politically independent. The ministers, in a joint statement, denied that the government was interfering in wage negotiations between nurses and crown health enterprises.

Two days later, when two premature babies were moved by ambulance from Whangarei hospital to Middlemore, the chief executive of the South Auckland Crown Health Enterprise, Dr. L. Levy, criticised the style of industrial relations exercised by Northland



Health which he described as stubborn, even confrontational. "I think it's old-fashioned". He intended to charge Northland for the cost of looking after the extra patients, said Dr. Levy, and a portion of the fees charged would go to those directly affected, in recognition of the extra trouble Middlemore staff had to go to. Northland's chief executive, Dr. B. Gollop, would not comment on Dr. Levy's criticism.

Nurses and midwives employed by the Wellington Crown Health Enterprise voted to accept a new collective contract providing for a two percent pay rise backdated to October and a further two percent in July. The contract will run until October 1995 and includes a pool of money for nurse education and money for a pilot study into a new clinical career pathway for nurses.

The Police Association lodged a claim with the Employment Tribunal to have their long-standing pay dispute taken into arbitration. The police had not received a pay rise since 1990 (when they gained a four percent rise) and, because of a greater workload and the rising crime rate, they were pushing for a 21.6 percent pay rise for sworn staff. The association also filed a claim with the Employment Court for an adjustment to pay rates for about 200 graduates who had been told when they entered Police College last year that their starting salary would be \$39,161. Many were paid the lower starting salary for new constables, \$36,225, which came into effect on March 31 last year.

In a briefing paper prepared for the incoming government, Federated Farmers urged the government to proceed with plans to open up shipping routes to foreign competition. Opening up coastal trade would encourage local operators to adopt the best international practices, they said, and "if a small number of the jobs at stake are lost, the gains in employment elsewhere as a result of increased transport activities, will offset this."

To mark the second anniversary of New Zealand's longest-running industrial dispute, locked out workers and supporters picketed the Alliance Textiles mill in Milton on 17 January. Thirteen of 46 workers originally locked out still picket regularly, said a spokesman, and their resolve was stronger than ever.

CECUA, the Combined Early Childhood Union of Aotearoa, merged with the Primary Teachers' Union, the NZEI, on 1 January.

## **February 1994**

The government caucus on 9 February sought to avoid possible defeat in Parliament by agreeing to set a minimum wage for young workers at \$3.68 an hour. The decision, which will be made by regulation under the Minimum Wage Act, effectively sets a floor of \$147.20 a week for workers aged 16 to 20, while the minimum wage for those aged 20 or over remains at \$245 a week. The Prime Minister described the new rate as low but realistic. Young people under 16, such as newspaper deliverers and youngsters on milk rounds, will not have any minimum pay protection.



Judges received a pay increase of two percent from the Higher Salaries Commission, backdated to 1 October last year, because the increasingly difficult and complex nature of the law had continued to create demands and stresses for judges. Salaries of District Court judges increased by \$3,000, High Court judges by \$3,500, and the Chief Justice by \$4,000 to \$191,500, excluding allowances (which amount to \$7,900 a year in the case of the Chief Justice).

Twelve staff employed at Yeoman Industries at Te Papapa, Auckland, a packaging subsidiary of Foodstuffs Ltd., walked out in the second half of January. The strikers - ten women and two men - were demanding a roll-over of their collective contract, while the company attempted to reduce redundancy pay, eliminate re-employment clauses and bring in unlimited casuals. The police denied claims by the Northern Chemical Workers Union that unionists on picket had been subdued with batons. Batons had not been drawn or used on the site, said the police district commander, but the police's job was to make sure that people were not prevented from going to work. The pickets continued, joined by dozens of supporters, union officials and members of various left wing groups. The company issued legal notices on 14 February to strikers and their supporters, seeking injunction orders to restrain them from obstructing access to the factory or from interfering with the work of the plant, but talks also went ahead in front of a mediator and on 17 February the strikers resumed work at Yeoman's under their old terms of employment.

Staff at Mitsubishi Motors' Porirua assembly plant began sectional rolling stoppages and an overtime ban on 5 February in a dispute over their employment contract. The company offered a two percent pay rise in return for clawbacks, such as more flexible working hours (eight hours between 6am and 6pm, instead of between 7.45am and 4.05pm), meal allowances to be paid only after three hours' overtime (instead of after one hour at present), reduction of sick leave entitlement from 10 days a year to seven days, and the ability to employ temporary staff. The union asked for a 3.5 percent pay rise without any clawbacks.

The rolling stoppages cut production from an average 26 cars a day to about six. "We can't be bled to death by such action," said the company's negotiator and on 7 February Mitsubishi locked out all 360 staff at Porirua. Next day the workers set up camp outside the Porirua plant, towed a caravan there to form a base and organised pickets. Those eligible were advised to sign up for the dole; workers were in for the long haul said the secretary of the Manufacturing and Construction Workers Union. A group of picketers occupied the ground floor of the administration building on 8 February, but left less than an hour later under police escort. The picket ended four days later, negotiations resumed and on 23 February Mitsubishi workers endorsed a new contract which included a two percent pay rise. Flexible hours could be worked only by mutual agreement and temporary workers could be employed only if this did not reduce normal overtime or cut permanent staff.

Three employees of Presbyterian Support Services Northern Division in Auckland and Hamilton appeared in the Auckland Employment Court on 9 February to challenge pay cuts imposed by the church-funded agency. Their legal bills were paid by the Service Workers Union and the Nurses Organisation. The workers were part of a minority of staff members who had refused to sign a contract which replaced weekend penal rates with a 10 percent basic pay rise. By means of a "partial lockout," based on a precedent set in the IHC case



two years ago, PSS had unilaterally removed their weekend rates, but the PSS lawyer claimed that the agency was legally entitled to take this action as a necessary way of compelling the workers concerned to accept terms already agreed by most of the remaining staff.

"The only effect of the lockout," said the lawyer, "is to deprive employees of remuneration to which they are not entitled," and there was no intention to inconvenience or prejudice the workers beyond removing their penal rates. Under questioning by the Chief Judge he admitted however that it would be technically open to the agency under the Employment Contracts Act to refuse to pay the workers anything. The plaintiffs' lawyer submitted that requiring workers to work for nothing, which she described as the logical conclusion of the IHC ruling, would be both absurd and repugnant to justice. The Court on 11 February reserved its decision.

The Community Services Union, which represents some 1,700 workers in voluntary agencies, such as IHC, CCS and the Foundation for the Blind, completed its merger with the Service Workers Union on 1 February.

Workers at the Airport Plaza Hotel in Christchurch struck for 24 hours in support of a union-negotiated contract with more pay and the replacement of managers accused of "disgraceful intimidation." Negotiations continued.

Some 200 journalists and printing workers stopped publication of the *Dominion* newspaper in Wellington on 16 February. The action followed the breakdown of talks on compensation for loss of earnings anticipated with the merger of the *Sunday Times* and the Auckland-based *Sunday Star*. The Employment Court issued an interim injunction ordering the staff back to work.

Hospital strikes proceeded as planned from 1 to 4 February, involving 260 nurses in Rotorua and some 1,200 hospital workers in Northland. The strikers maintained picket lines around the hospitals and in Kawakawa they marched through town carrying placards with slogans like "Free Health for All," "Please Care for the Carers" and "Wollop Gollop" (Northland's chief executive). The Parliamentary Labour Party gave its support to the strikers and two Labour MPs came to Whangarei where they spent some time on the picket lines. The Alliance leaders also sent messages of support. Public support was overwhelming but the strikers expressed their contempt for a few agency nurses brought in as strike-breakers from Auckland and Christchurch and paid \$30 an hour, with an agency commission on top of that, compared with a top rate of \$15 an hour for staff nurses. Negotiations resumed after the end of the strikes and Rotorua nurses cancelled a second stoppage announced for early March.

Forty-five Northland senior hospital doctors, members of the Association of Salaried Medical Specialists, planned week-long stoppages beginning on 21 February in order to achieve parity with pay and conditions in other enterprises. On 3 February however, they decided that industrial action so soon after the nurses' and PSA strikes would be inappropriate. Northland Health management welcomed the doctors' decision; settlement of the parity issue would not involve throwing large amounts of money at the problem, said a spokeswoman.



The Service Workers Union announced settlement of an innovative four-year contract at the Rawhiti Trust Hospital in Mt. Eden, Auckland. All 15 service workers at the hospital gained an immediate two percent pay rise, with a guarantee of further 1.5 percent rises in each of the following three years. In addition they were able to qualify for additional rises of up to three percent a year by accumulating points based on their length of service and the acquisition of new skills. A union spokeswoman described the system as an alternative to a low-wage and low-skill path.

Telecom on 10 February bypassed the Communication and Energy Workers Union by sending individual letters to its remaining 9,800 staff outlining the company's plans for employment contract negotiations. "We see no benefit in having the union sit between Telecom and its employees," said the letter which proposed to reduce pay rates for most workers and to cut penal rates for shift workers and those working on Sundays and holidays. The company also proposed to split the collective contract into five departmental documents and to put a number of staff on individual contracts.

The CEWU chief executive described the letters as ill-timed in view of Telecom's recent announcement of a record quarterly profit. At a "passive protest" lunch hour meeting in Hamilton on 23 February workers demanded a roll-over of their existing conditions and a wage increase reflecting gains in productivity. Widespread discontent expressed by staff around the country persuaded Telecom to make some modifications to its original pay-cutting proposals.

**Herbert Roth**