

CHRONICLE

March 1994

Seafarers renewed their campaign against the deregulation of coastal shipping in early March with a rally in Auckland, at the same time promising stronger industrial action in the future. About 80 seafarers, and other unionists, gathered outside the waterfront headquarters of a Chinese shipping company, part of a group of foreign shipping companies supporting deregulation.

Firefighters throughout the country were poised for industrial action at the beginning of March in response to what their union described as an insulting pay offer. Although not yet threatening to ignore fire calls the fighters' union leaders warned that they would consider escalating the dispute to that level if their pay dispute was "not taken seriously".

The Service Workers Union announced with approval that about 1,500 McDonalds restaurant staff were to receive a one percent pay rise.

A man who was reportedly driven from his job by harassment after a staff magazine named him as the contact person for a homosexual support group was awarded \$32,000 by the Employment Court.

An Auckland Tramways Union leader vowed to continue to fight his case in the Employment Court after the Employment Tribunal upheld his dismissal from a driving job with the Yellow Bus Company. He was re-elected vice president of the union even though the bus company had sacked him almost 18 months earlier for refusing instructions from an inspector.

The National Secretary of the Seafarers Union announced that the rail ferry employment contract was set for re-negotiation in May, and that NZ Rail had summoned maritime unions to a presentation of the employer's views on the wage round, which the unions were approaching "suspiciously". Wisconsin Central, the American firm which lead the buyout of New Zealand Rail last year, is a non-union employer in America. The company announced that it had every intention of achieving a negotiated settlement, but was also making plans to ensure there was no prolonged disruption to ferry services.

The Human Rights Commission reported in mid-March that inquiries had risen by 70 percent since new discrimination legislation took effect on 1 February 1994.

Firefighters honoured their threats, mid-March, and issued notice for a ban on all routine duties; they later announced that a strike ballot was also to be undertaken. Work bans would start in Auckland and spread to the rest of the country, and would entail a refusal by the

country's 2,200 professional firefighters to perform any work other than responding to fire calls and other emergencies.

Meanwhile a planned mammoth shake up to Cook Strait ferry crewing was unveiled by New Zealand Rail. It included laying off about half the people it employed on the ferries and making the remainder do significantly more work days. The company announced that it was "very determined" to get what it wanted, and hired former Labour Government SOE Minister Richard Prebble to lead the negotiations. The ferry crew contracts were due to expire early in May and threats of industrial action, reactions, and counterthreats were continuous through the remainder of March. As the start of negotiations in early April drew near, the ferry workers' unions reported that the company was approaching some crew members and offering substantial one-off payments if they signed individual employment contracts. The company sidestepped union offers of a two-way embargo on industrial action during the May school holidays.

An on-going saga was played out during March concerning Neil Pugmire, a senior psychiatric nurse at Lake Alice Hospital. Mr Pugmire was offered the options of a clerical job or dismissal by Good Health Wanganui after an enquiry into the publication of a letter he had written warning about the release of a dangerous patient. The Public Service Association went to the Employment Court to seek an urgent injunction. Judge Derek Castle described the position taken by the crown health enterprise as a "reprehensible abuse of the concept of fair dealing by an employer". The Court ordered that Mr Pugmire be reinstated to his job as a charge nurse in the Lake Alice Hospital's national security unit for dangerous psychiatric patients. The parties resolved the situation without further court action, whilst the media fed upon the reported \$30,000 Good Health Wanganui had spent on legal costs.

March 18 was a good day for the Finance Minister, Mr Birch, with a raft of good economic news being announced. New Zealand's credit rating was upgraded and the crown's half yearly financial statements showed the government was running a surplus. At the same time the Labour Department released figures showing that unemployment had fallen by almost 10 percent in the year to February. According to the Reserve Bank, the average New Zealander can continue to look forward to "very favourable" economic conditions.

One hundred and sixty workers at ACI NZ Glass Manufacturers in Penrose went on strike for four days after rejecting, through their unions, an offer of a two percent pay rise.

Employers received a scolding from an Employment Tribunal adjudicator, Mr Brian Stephenson, who told an industrial relations conference in Auckland of his surprise that even large and apparently sophisticated organisations were often remiss in regard to using proper industrial relations procedures.

Employees of an Auckland airport ground crews contractor were issued a lockout notice after repeated breakdowns in pay talks. The lockout notice issued by Ogden Aviation to 39 baggage handlers and other workers was due to come into force on Easter Saturday. The Engineers Union vowed that workers would picket the airport if the lockout was imposed, and announced that it intended to check the immigration status of management staff the company had brought over from America.

The personal grievance hearing before Judge Bruce Palmer for Timaru Girls High School's dismissed principal extended to eight weeks, making it the longest in Employment Court history.

March 27, silence fell on a rugby field on the outskirts of Ashburton as hundreds of meatworkers stood to have their worst fears confirmed. Nine hundred workers at Seafield near Ashburton and 800 more at Silverstream near Mosgiel were told by receivers of the collapsed Fortex Group that they no longer had jobs. The crowd was told that there would probably be no redundancy payments, but that their superannuation contributions, medical insurance, and union fees would not be used to repay company debts.

Statistics New Zealand announced that wage rates have trailed inflation to rise only one percent in the year to December. Prices rose 1.4 percent over the same period.

Air New Zealand and six unions representing its 5,000 ground staff, as well as the CTU, went to the Employment Court to attempt to resolve a contractual headache. The three year agreement between the parties conflicted with the Holidays Act, and the airline was seeking an order for relief from its contractual obligation to pay triple time for work on public holidays, in addition to days off in lieu prescribed by the legislation. The Employment Court granted relief but only to the point of leaving it to the parties to resolve the conflict. A joint blessing emerged for the airline as the potential industrial dispute at Auckland airport was resolved, in the face of an Easter lockout of baggage handlers. The threat of lockout was lifted after the baggage handlers agreed to amended contract offers from Ogden Aviation Services.

March ended with the Fire Service announcing that more than 300 firefighters would lose their jobs, and that those remaining would work longer hours. The unveiling of restructuring plans heightened industrial tension between the service and firefighters unions already struggling through a pay dispute. The Firefighters Union's immediate reaction was an angry press release stating that the changes would add more pressure to an already stressful job. Stoppages by firefighters occurred in the upper North Island, while firefighters at the Wellington Central station flew their flag at half mast. The fire service management, however, followed the announcement with an invitation for the unions to return to the bargaining table.

Telecom workers held stop work meetings, decided to strike, and walked off the job on March 31 vowing not to return until midnight on 3 April. The workers enforced their continual threats to undertake the first strike of the country's telephone system, with an overwhelming 88 percent support in a national ballot of 5,034 votes. The unions proclaimed that the workers were "upset and tired" of the company's bid to cut penal rates and overtime.

April 1994

With the advent of April, Telecom workers set themselves for the fourth day of an unprecedented week long national strike. Telecom management took the position that it was not prepared to return to formal negotiations until the union ceased industrial action. For their part the union leadership stated that they believed progress was being made in informal discussions and suggested that they were prepared to call the strike off if Telecom made a commitment to bargain "meaningfully".

Meanwhile the parties in the firefighters' dispute went back to the bargaining table after an impasse of more than six weeks. The negotiators met to attempt to come to agreement on an interim contract which had stalled on the issues of pay and staffing levels. Once an interim contract had been settled the parties planned to come together at a later time to discuss issues such as early retirement and restructuring plans.

The last day of the Telecom strike was marked by antagonism between the disputing parties, with spokespersons for both sides expressing disappointment with the other. Several days later, a Telecom spokesperson announced optimism about negotiations, but added that the union's talk of another strike marked an unwillingness on the union's part to negotiate in good faith. For its part the union asserted that Telecom was trying to muscle penal rate cuts onto its employees while at the same time scheduling more employees to work during weekends.

On April 6, firefighters and Telecom workers joined forces in a march through Auckland streets. A local newspaper described the situation as "a surge of industrial anger spilling into the streets of Auckland".

The following day saw the firefighters union negotiators rejecting a new offer of a two percent pay rise in return for firefighters performing extra routine work. This compared with a one percent offer made in February, but the firefighters union said that the "clawback" condition made it worse than the previous proposal. The union's National Secretary, Mr Derek Best, announced that the union was pressing ahead with a national strike ballot during the one week break before the next scheduled negotiations.

The ferry dispute continued, and rifts between the parties appeared to be widening with the company announcing that between 35 and 120 employees were to be made redundant. Their jobs, mainly stewards and pursers, would then be re-advertised with the current staff being invited to apply. Those hired would have to accept individual contracts with changed working conditions.

Auckland watersiders held a port-wide stop-work meeting after an industrial storm blew up over a truck load of scrap metal. Trucks were turned back from the Wynyard wharf after about 60 unionists and supporters declared a "hard" picket against the use of non-union labour. The issue of concern was the company's reliance on non-union labour to operate three large machines, normally used for earthmoving, a job which the Waterfront Workers Union claimed belonged to its members.

Tauranga nurses became the first in New Zealand to break from a salary range based on length of service. Tauranga's 500 nurses signed a collective employment contract on 6 April which provides that each nurse's competence will be assessed and payment will be adjusted according to job competence. The chief executive of Western Bay Health proclaimed the contract negotiations as, "a bold new, non-confrontational approach, based on creating a true future for nursing".

The first week of April finished with tempers again flaring on the Auckland waterfront as police joined management in persuading 130 watersiders to return to work rather than disrupt the "non-union" stevedoring companies. Union leaders however vowed to keep up the protest over the next week. Telecom announced it would not compensate customers whose telephone lines were out of service during the week long strike, but reversed the decision the following day. Primary school teachers made an official claim for pay parity with secondary school teachers.

Following on the Tauranga nurses' contract, nurses at Middlemore Hospital in South Auckland agreed to an equally unconventional employment contract. The contract includes unlimited sick-leave, a lump sum payment aimed to show the nurses they are "valued", a freedom of speech clause, and a wage increase. The Nurses Association achieved a 96 percent endorsement of the contract, the association's highest ratification vote in two years of public sector negotiations.

However, a week after the Middlemore Hospital nurses' contract was signed, the Service Workers Union attacked management at the hospital, charging a lack of consultation with "wardsmaids" over changes to work practices, in breach of contract. The union announced that it planned to pursue its legal options concerning the matter.

Labour Party spokesperson on Labour, Mr Maharey, spoke up about the firefighters' dispute, stating that he believed the negotiations had been dogged by the firefighters not being able to talk directly with the decision makers in the fire service. He added that, "This kind of standoff does not make for good faith bargaining. It is time for the decision makers on both sides to meet and work out an agreement".

Fortex workers were told by the company's receivers that last hope negotiations to save their jobs had collapsed and that there remained little hope that the company and their jobs would be retrieved.

Negotiations with Auckland Central Hospital nurses turned sour when a two percent wage increase was offered. The nurses were reported to have expected a lot better offer in the light of the employment contract settled by nurses at Middlemore Hospital.

Three new members of the Employment Tribunal were sworn in, bringing the number of members based in Auckland to 14. This brought the Auckland office's total to half the nationwide membership, matching what the Tribunal claims is its 50 percent share of a workload which grew to 3,469 applications in the 12 months to February.

A heated row between New Zealand Rail and the Merchant Service Guild erupted during contract talks mid-month, dimming the prospects of a ferry agreement. Within days, New

Zealand Rail reported that it had contacted ship management companies around the world in a hunt for an agency to staff the ferries if industrial action eventuated.

Firefighters and Telecom workers went back to their respective negotiating tables mid-April. Both negotiations were reported as "very shaky".

Schools were told that their cleaners and caretakers would strike early in June unless the Government granted them their first pay rise in three years. Meanwhile Bay of Plenty Polytechnic tutors announced that they intended to strike for four days over a contract row which had dragged on for 18 months. The Association of Staff in Tertiary Education was accusing the Polytechnic of trying to impose a new contract with 90 cuts to working conditions which would, the union claimed, have lead to "burnout" among its members. Students at the Polytechnic responded to the announcement of strike action by claiming that, in light of the high fees which students pay for courses at the Polytechnic, they planned to take legal action against the college if classes were cancelled.

Word came through that Michael Eisner, Chairman of the Walt Disney Co, earned \$NZ358. 8 million last year, the highest ever recorded pay of any chief executive of a publicly listed corporation . . . lucky for some!

When a Crown-owned provider of services for intellectually disabled Aucklanders agreed to re-interview two unsuccessful applicants, the Employment Court adjourned an interim injunction hearing against the employer. The union was claiming that the company had breached its agreement by failing to give existing staff first consideration for any new positions within the organisation.

One hundred and twenty laboratory technicians at Capital Coast Health walked off their jobs in protest at management's refusal to set a date for their employment contract negotiations and as a protest against a merged contract being sought by the employer. Two days into the strike, management reacted by flying a "small number" of Australian lab technicians into Wellington "for varying periods of time".

The Bay of Plenty Polytechnic tutor's strike went ahead, its four days being the longest ever strike in New Zealand's tertiary education sector. Polytechnic management acknowledged that the strike had left only 27 percent of its 92 fulltime tutors on duty, while the students association estimated that 80 percent of classes were disrupted by the strike and resolved to take legal action.

Meanwhile the former Deputy Head of Waikato Polytechnic, Mr Raj Sanggaran, revealed that he was paid nearly \$60,000 to leave the Polytechnic. Mr Sanggaran explained that the payment was in return for his resignation and promise to keep confidential the conflict between himself and the nursing director's "Cultural Safety Programme". The programme was geared towards assessing tutors' "cultural safety" towards Maori issues and people. Mr Sanggaran stated that he had opposed the programme because he felt it was inverse racism, and "quite frightening". The Polytechnic came out in defense of its actions and denied trying to buy the silence of its tutors. The Polytechnic principal claimed that the money was paid to avoid "complex personal grievance proceedings". He added that no employee had ever complained about "cultural safety".

Towards the end of April, unions in the Inter-Island ferries dispute announced that they were expecting ferry workers to be served with lockout notices in the near future. The General Manager of the Inter-Island Line, Mr Paul Harper, responded by stating that it was no secret that the company had advertised for crew in Australia, but stated that a lockout was "only an option that will depend on how negotiations go".

The Fire Service negotiations again broke down with the union accusing management of a campaign of intimidation. As the union prepared for a strike, the fire service management successfully sought an injunction in the Employment Court blocking the strike. The service had claimed that it had not received a clear 14 days notice, as the union had sent notice before a strike ballot had been completed.

Just as Telecom workers gave their union notice that they had three days to report satisfactory progress from pay talks or call another strike, the union announced that agreement had been reached between the disputing parties. After seven weeks of negotiation, a national strike, and pressure for a second strike, an agreement was ready to be put to the 7,000 staff for ratification beginning in May.

The month closed on the Inter-Island dispute with the Australian seafarers union denouncing New Zealand Rail as "the worst kind of employer" that had no chance of recruiting anyone but substandard sailors for Cook Strait strikebreaking. The Deputy National Secretary of the Australian Maritime Union, Mr Padraign Crumlin, stated that, "If this bloke they've got over here was to approach our members he would be in some personal danger because our people, with complete unanimity, feel extremely strongly about it".

Sixty three labourers at the Portland Street Cement Works, near Whangarei, went on a 48 hour strike over a pay dispute. The labourers sought a four percent pay rise, and decided to strike after turning down a company offer of a one-off \$1,000 payment. The dispute was initiated when the company reached a settlement with 43 tradespeople giving them a 53 cents an hour increase.

The leader of the Labour Party, Helen Clark, ended the month by stating that pay equity legislation was unlikely to occur under a Labour Government. Ms Clark indicated that Labour in future would look to deliver broader EEO policies to women workers.

A public row broke out in Auckland as the Yellow Bus Company had two union officials representing bus company workers arrested for trespass. The Tramways Union announced that it would go to the Employment Tribunal for a ruling on access to the company's depots. Company Chief Executive, Mr Barry Turley, welcomed the union's move, saying that the employment contract covering drivers gave site access for bargaining agents provided that the purpose was contract negotiations. The two unionists arrested were remanded by the Henderson District Court on charges of trespassing on company property.

May 1994

May began with trouble continuing at Auckland's Yellow Bus Company. Unions claimed that the company was on a witch-hunt against critics of the company's industrial relations policies. A driver who refused to sign an employment contract was served a final warning for allegedly breaking a duty of loyalty to the company and was advised that the notice was to remain in force indefinitely. At about the same time, three employees of the bus company went to the Employment Tribunal claiming that they had been illegally locked out by the company unilaterally imposing a contract on them.

The longest case in Employment Court history came to a close on 2 May. The principal of Timaru Girls High School, Mrs Anna Hobday, now awaited Judge Palmer's decision on whether she would remain principal of the school whose trustees had dismissed her because they had "lost trust and confidence" in her approach.

Capital Coast Health again flew in Australian laboratory technicians to cover for the second strike at the hospital. The technicians were adamant that they needed a separate contract while management refused to talk to them unless they agreed to join in a contract with other groups of employees.

May Day marchers were told that their struggle against the Employment Contracts Act had assumed international importance. In Auckland, the Seafarers Union president told marchers that the International Labour Organisation's recent criticism of the Act had already drawn messages of alarm from unions in Europe, and warned that transnational corporations were searching for "weak links in the international labour chain". A week later, as if in response, the Employers Federation criticized the ILO for supposedly failing to keep up with world changes.

Industrial disputes at Coca Cola and the Otis lift company were settled after strikes which led to improved pay offers. In the case of Coke, about 170 Coca Cola factory employees returned to work mid-way through the second day of a strike after the company offered a 3 percent pay rise for each year of a two year contract.

Auckland Central nurses ratified their employment contract which provided a 2 percent pay rise and payments attached to skill levels. However just 58 percent of the 1100 nurses voted to accept the contract, and nurses spokespeople proclaimed that the contract was just to be an interim measure to give the health enterprise breathing space. Nurses stated that they would not be flexible next year and threatened an "industrial mess" if next year's document fails to deliver more for them.

Researchers at Victoria University revealed that union membership has stopped falling, after plummeting by almost one third following the enactment of the ECA. They predicted a slight increase in union membership fuelled by a "recent resurgence in collective wage bargaining". The survey put total union membership at 409,112 at the end of 1993.

While the Merchant Service Guild was announcing that ferry unions would not be intimidated by "American-style labour tactics", New Zealand Rail was announcing that it

was on the verge of issuing a fourteen day lockout notice before the next scheduled meeting between the parties had even begun.

The company subsequently gave formal notice of a lockout of more than 400 ferry staff from May 23, as the seven week employment contract dispute came to a head. The company announced that passengers would be protected from disruptions as temporary workers would be used to staff each sailing. The unions announced that they would fight the lockout industrially, legally and politically. They issued notice of an indefinite strike from 24 May. The CTU threw its weight into the dispute, pledging boycotts, financial support and "men on the picket lines".

As if the trend was catching, 160 Marsden Point oil refinery workers served notice of an eight hour strike, which was to serve as a warning to the employer of further industrial action at a later stage. However the company's only immediate response was to announce publicly that it would be able to keep the refinery running.

Three weeks after the interim injunction halted their two proposed 24-hour strikes, firefighters returned to the bargaining table faced with an employer claiming that it had moved as far as was possible in the circumstances. Both parties announced that informal meetings which had taken place had produced an amended proposal which was now ready for formal negotiation.

Police received a two percent pay rise under a new collective contract. The Labour Party announced that it will pursue full employment during its next term of government, but will not give any timetables because New Zealanders no longer trust party timetables. And the country's 5,000 school caretakers postponed their planned national strike until mid-July.

In mid-May the parties to the ferry dispute agreed to bring in an Employment Tribunal mediator.

The Employment Court also intervened in the dispute, ruling that New Zealand Rail's lockout notice to ferry crews was defective. Chief Judge Goddard ruled that company notices were defective because they failed to specify the place where the lockout would take place.

Meanwhile the ferry dispute was having a cohesive effect on the union movement. The CTU and the alternative Trade Union Federation came together for the first time and pledged joint action against New Zealand Rail if it made a second attempt at a lockout.

As the government was announcing that the ECA was an untouchable policy element despite the ILO findings, the Labour Party introduced a bill providing for the formation of an employment council with a mandate to draft new legislation to replace the ECA. The Alliance offered a more prescriptive bill with which it would replace the ECA.

The firefighters union took a novel tack when it submitted a draft notice of industrial action to the fire service, asking the service to point out whether the notice was unclear or deficient in any way. The union claimed that it was in both parties' interests to avoid

another last minute rush to the Employment Court to adjourn industrial action. Fire service management branded the move "ridiculous".

May came to a close with New Zealand Rail and the ferry unions meeting to discuss a new company proposal, the unions later condemning the offer as worse than the company's initial position, and then New Zealand Rail issuing new lockout notices. The company declared that workers would be locked out from 27 June, unless the unions accepted new rosters. In the delivery of the ultimatum, the company's managing director accused the unions of using delaying tactics to cling to a privileged position of "blatant featherbedding" on a crucial transport system. Union leaders responded by accusing the company of ignoring concessions amounting to \$10 million per year which they had already offered.

June 1994

The Minister of Immigration, Mr Maxwell, suggested that firms that bring in foreign labour to make up for skills shortages should be made to train unemployed New Zealanders as well. However, Mr Maxwell confirmed that his officials were investigating ways of adjusting the immigration points system to accord greater value to trade skills in short supply.

Two hundred ferry workers and supporters burned lockout notices during a cold wet day of protest outside the Wellington railway station. Protestors carried placards denouncing New Zealand Rail and voiced loud disapproval to the prospect of non-union crews being brought in to operate the ferries. Meanwhile, the maritime unions, having met with an Employment Tribunal mediator, announced that they had no intentions of returning to negotiations until New Zealand Rail withdrew its lockout threats.

A High Court Judge ruled that an Auckland company's superannuation scheme breached the Human Rights Act by discriminating on the grounds of marital status. The Judge suggested that the ruling may have implications for the legality of other similar schemes. "The application deals with only one of many schemes", the judge said, "each of which may need separate attention".

In Geneva at the start of the month, a New Zealand government petition advised the ILO to stop meddling in New Zealand domestic politics over the ECA. Labour Minister, Mr Kidd, accused the ILO of directly challenging the democratic and parliamentary processes of a member state.

Firefighters rejected another pay offer and at the same time passed a vote of no confidence in the service's top management.

Mrs Anna Hobday, the principal of Timaru Girls High School, was reinstated and awarded \$62,500 compensation in a 160 page ruling by Judge Palmer issued June 10. As Judge Palmer expected that they would, the board of trustees resigned in the wake of the decision. At about the same time, primary school teachers were entering into pay negotiations with the stated intention of gaining pay parity with secondary school teachers who enjoy on

average 12 percent higher pay scales. The negotiations stumbled immediately and the primary teachers announced that meetings would be held to vote on proposed strike action.

The meat company, Weddel New Zealand, was ordered to pay fines and reparation totalling \$14,000 by the Gisborne District Court. The company was found to be negligent in its actions arising from the death of a worker in its Gisborne works last year. Judge MacLean ruled that the company should pay the reparation to the four children of the dead man. The company had pleaded guilty to charges that it had failed to take all practicable steps to ensure the safety of employees.

Later in the month, the High Court ruled that a fine imposed on a Christchurch employer after an employee was crushed to death, was vastly inadequate. In more than doubling the original fine, up to \$15,000, the Court accepted that the firm had since modified the machinery in question to the extent that it was safe, but ruled that parliament had placed a positive duty on employers to seek out workplace hazards and to take steps to eliminate, isolate, or minimise them. "No room must be left in the community for the view that it is easier to wait until an accident happens, pay the fines and try to do better in the future", the Court said.

The Employers Federation announced that it was in the midst of putting together a proposal to put to Government that public holidays should be replaced with an extra ten days of annual leave. These would be added to the existing minimum of three weeks annual leave, with the timing of the holidays to be worked out between employers and their employees. There was immediate negative reaction to the Federation's plans from both the CTU and the Catholic Church. For its part, the Church stated that the Federation had become too motivated by commercial considerations.

Meanwhile a new Bill introduced to parliament mid-June would provide protection for employees who disclosed unlawful activity to a whistle-blowers protection authority. The legislation promoted by Labour MP, Mr Goff, was seen as a political response to the case of psychiatric nurse Neil Pugmire whose career was threatened after he alerted Mr Goff to the release of a psychiatric patient he considered dangerous.

The Auckland Employment Court ruled that workers can not have their pay docked while being visited on the job by union representatives. Nor can employers restrict such visits in non-working hours, or question the authority of union officials to represent individual employees before granting them access to work premises. Judge Travis made these rulings in a judgement against the Foodstuffs grocery chain in answer to an appeal by the National Distribution Union.

The Employment Tribunal ruled in favour of three employees of the Auckland Yellow Bus Company who were claiming to be victims of an illegal lockout by the company. The Tribunal ordered the company to lift the partial lockout of three salaried officers who refused to sign pay-cutting employment contracts during an industrial dispute in late 1992. The Tribunal also cleared the way for the employees to bring wage arrears claims reaching back 19 months.

And employers lost a potent industrial weapon under a landmark Employment Court ruling that destroys the concept of partial lockouts. The Court, in its ruling against the Northern Division of the Presbyterian Support Services, retracted a precedent set by one of its own members two and a half years ago. A full bench of the Court ruled that employers would no longer be legally allowed to use a partial lockout as a device to cut wages without consent, or without physically locking out employees.

Primary school teachers announced that they would strike on July 13, unless they were made a "reasonable pay offer". Teachers throughout the country voted in favour of strike action in support of a claim for pay parity with secondary teachers.

Firefighters put themselves in the same boat late June, overwhelmingly rejecting a pay offer of two percent. The union announced that it was not prepared to return to negotiations until the service indicated that it was prepared to move from its last final offer. The union indicated that firefighters were again contemplating industrial action.

Employees of North Island newspapers went on strike during late June in a continuing nationwide industrial action against Independent Newspapers' 1.5 percent pay offer.

However the parties to what was potentially New Zealand's ugliest industrial dispute since 1991 were celebrating, and so were many travellers, as the Cook Strait ferry dispute settled. The Employment Tribunal mediator announced that New Zealand Rail had withdrawn its lockout notices and that the unions had withdrawn their strike notices. The CTU jumped in early to announce that the settlement was "a defeat for the bully boy approach of extremist employers", and "another nail in the coffin of the ECA", while the parties to the dispute were both claiming victory. The maritime unions claimed that the deal would save 100 jobs and retain key working conditions. For its part, New Zealand Rail announced that passengers and freight customers would be the big winners in the settlement which would introduce 24-hour sailing and achieve the company target of saving \$125 million on its ferry wage bill.

The month ended with the Government defeating Labour's bill seeking to establish an employment council to draft replacement industrial legislation. The vote was 47 to 45.

At month's end, there was no word on how the Eisner family was coping, or whether Mr Eisner would be looking to negotiate something more substantial with Disney for next year.

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