

# CHRONICLE

NOVEMBER 1984

Tripartite talks on guidelines for the new round of award negotiations opened on 1 November. The meeting set up a working party which was to report back after the presentation of the budget. A Wage Fixing Reform Bill embodying the tripartite agreement on the forthcoming wage round was introduced in parliament on 8 November. It provided for preliminary central consultations to set a wage guideline, but made it clear that there was no legal requirement to conform to this guideline, nor did it give the Government powers to veto any wage settlement. Parliament referred the bill to a select committee.

The budget presented on 8 November provided family care benefits to low and middle income families with children, but it also raised the rate of taxation and increased the cost of milk, petrol, electricity, alcohol, cigarettes and prescriptions. Mr Knox welcomed the family care provisions but warned that the net effect of the budget would be "in the short term at least" a continued reduction in the living standards of working people. Mr R Campbell described the budget as disappointing. Union support for wage restraint, he said, was conditional on the Government having an economic programme acceptable to them, and "a welfare payment was not a suitable offset for wage increases".

Government and employer spokesmen on the other hand, stressed that because the budget had provided for those in need, wage increases in the coming award round had to be low (some said nil) so as to preserve the benefits of devaluation. Nevertheless major unions, such as the Engineers, Electrical Workers and Printers lodged claims for 20 percent increases. The Drivers asked for the equivalent of 15 percent, while the Watersiders claim went as high as 25 percent. Mr Lange commented on 12 November that the Government's position was closer to zero than to 20 percent, and the Employers Federation anticipated something "very definitely in single figures".

At the tripartite guideline talks which resumed on 19 November, the Government offered a basic 4 percent increase, which the unions rejected as "a bit low". The FOL put forward no specific figure at first, but it later asked for 11.2 percent. Union negotiators quoted Labour's election promise of wage adjustments aimed at "maintaining real disposable incomes" and a passage from the economic summit communiqué that "lower income groups would be properly protected through a combination of wage, tax and spending decisions". The Government's position paper however, mentioned short-term sacrifices and claimed that the budget had "wiped the slate clean" until 1 December.

In further negotiations the Government raised its offer to 4.5 percent, but the unions would not go below 9.6 percent and the talks ended in deadlock on 22 November. When the Prime Minister threatened to impose wage controls, Mr Knox called for an urgent meeting of the Joint Council of Labour. The FOL told its affiliated unions not to settle below 9.6 percent, which it described as "the minimum figure necessary to protect the workers' standard of living".

The unions also felt let down because the Government had failed so far to introduce the promised legislation to restore compulsory membership, which would have raised union bargaining strength in the coming award talks. The president of the Manufacturers Federation on 26 November urged the parties to resume negotiations and asked the Government to offer more than 4.5 percent to childless persons at the bottom end who were not covered by family care. "I am aware", he said, "that we have people in our employ who have not had a rise for 3 years". Many large and profitable companies were said to have made financial provisions already for increases of up to 10 percent.

The Minister of Finance told employers' advocates in Rotorua that it was an inescapable fact that prices had to rise faster than wages during the next 9 months, and warned

employers against soft wage settlements. New Zealand, he told the Manukau Rotary Club on 27 November, was already a low-wage country and the Government did not wish to see real wages go much lower, but the Minister of Labour on the following day agreed that the Government's proposed guidelines meant that the majority of workers would have a short-term fall in their real wages. The Government put new proposals to the unions on 27 November, but the amended offer of 4.75 percent was only a marginal improvement and the talks collapsed again. On 30 November the Government arbitrarily set a guideline of between 4 and 5 percent for the forthcoming wage round. It also cancelled a regulation providing for the automatic backdating of awards, a move designed to put pressure on unions to settle quickly, which was denounced by Mr Knox as "welshing" and "treachery".

The FOL National Executive re-endorsed the decision not to go below 9.6 percent, while the Employers Federation urged its members to settle within the Government guideline. The wage freeze imposed on 22 June 1982 – the longest in New Zealand history – expired at midnight on 30 November, but the Government warned that it was preparing new regulations to cancel any extravagant wage settlements.

One hundred and forty eight operators at the Marsden Point refinery demanded a special allowance for the commissioning of 5 new flare stacks. The company maintained that this was part of the operators' normal work, and were upheld by an industrial conciliator when the issue was referred to a disputes committee. The operators then gave 14 days notice of industrial action, to which the company replied by applying to the High Court for an injunction. The notice and the company's application were withdrawn on 26 November, when the parties announced that they were no longer in dispute over the allowance.

The Marsden Refinery Constructors Consortium (MRC) prosecuted 5 union officials for an alleged breach of the Whangarei Refinery Expansion Project Disputes Act, by calling an unauthorised stopwork meeting on 25 August. Two of the men, the site union committee chairman and the riggers' delegate, had already been dismissed by the consortium. One of the accused filed a counter action for costs on the grounds that he had not attended the stopwork meeting.

In the Auckland High Court on 7 November Mr Justice Barker ruled that natural justice required the cross-examination of witnesses before the Commission of Inquiry into industrial relations at Marsden Point. Unionists saw the consortium's legal intervention as a device to delay the completion of the commission's hearings and thus prolong the life of the controversial Disputes Act. Members of the Marsden Point site committee travelled to Wellington on 11 November to put their case to cabinet ministers. The Government also summoned officials of the consortium to Wellington for discussions. MRC refused to reinstate the delegates and other dismissed workers, as requested by the site committee, but the Government announced that it was not considering an early repeal of the disputes legislation.

The Prime Minister next sent a letter to the company in which he offered to cancel the Commission of Inquiry in return for withdrawal of the warning notices issued to workers who had attended the stopwork meeting, and an undertaking by the consortium not to invoke the penal clauses of the Disputes Act. This confidential letter was leaked by a senior official of the consortium to Mr W Birch, the opposition spokesman on energy, who produced it during a snap debate in parliament on 16 November. The Prime Minister responded with a bitter attack on Mr Birch, whom he denounced as "a tool of the multinationals", and on the consortium's "absolutely unethical and totally corrupt approach to industrial relations" which, said Mr Lange, had caused a scandalous waste of public money. The chairman of the Commission of Inquiry decided to postpone the opening of hearings until the climate was more suitable.

Lengthy talks in the Beehive on 26 November broke down when MRC stuck to its refusal to reinstate the dismissed delegates. Two days later, about half the workforce at Marsden Point extensions, mostly boilermakers, labourers and engineers, joined a 24-hour protest strike and were dismissed. The Minister of Labour blamed the consortium for

this escalation of industrial tension; the dismissed workers, with some exceptions, refused to sign re-employment applications and decided not to offer themselves for work until the next Monday, 3 December.

Employers at the Glenbrook steel mill extensions also instituted a system of issuing warning notices of pending dismissal to workers who attended unauthorised stopwork meetings. After negotiations with the site unions, the company on 26 November withdrew these notices and reinstated 2 dismissed men, in return for agreement on a new formula to settle grievances without work stoppages.

The Tasman Pulp and Paper Company told unions of plans to reduce staff by 500, at a rate of about 100 a year. The secretary of the Pulp and Paper Workers Union refused any co-operation, while members of the Timber Workers Union held a 24-hour protest strike.

The National Union of Railwaymen boycotted the summit conference convened by the Minister of Railways on 5 November, but after the conference it held talks on staffing policy with the corporation. According to the corporation, there was no need for compulsory redundancies and the figure mentioned earlier of 6 000 projected staff losses was no longer valid.

Some 70 store workers at Wiri Woolbrokers Ltd in Auckland went on strike late in October when the company refused to negotiate a site agreement. The union wanted an across-the-board bonus system instead of the existing arbitrary plusage payouts. The strike, which delayed wool sales and exports, was settled on 27 November, when the company agreed to discuss job classifications and to provide protective clothing.

A Ministry of Transport study released on 7 November accused waterfront unions of clinging to outmoded and inefficient work practices in an effort to preserve jobs threatened by modern cargo-handling methods. The argument was taken up by the chief executive of the Waterfront Industry Employers Association, who told a meeting in Rotorua on 26 November that watersiders worked on an average only 12 to 14 hours a week and that, if the labour force worked 35 hours a week, it could be reduced to a third. The secretary of the Auckland Waterside Workers Union replied that his members were paid for the time they were on call, and that they were available for work 57½ hours a week, reporting at 7.30 a.m. Monday to Saturday, and frequently working on Sundays and at night.

## DECEMBER 1984

The new bargaining round — the first in 2½ years — opened on 3 December, with Engineers and Electrical Workers negotiating in Wellington, Printers and Woollen Workers in Auckland, and Drivers and Freezing Workers in Christchurch. The employers offered increases of varying amounts, but in no case more than 5 percent, and after 2 days hard bargaining the talks everywhere remained deadlocked. Mr Neary told the electrical contractors that he was not bound by the FOL's 9.6 percent minimum and that he was prepared to settle below that figure, but he refused to accept the employers' 4.5 percent offer. Parliament meanwhile passed the Wage Fixing Reform Bill through all stages, and the Minister of Labour announced that a bill to overturn voluntary unionism would be introduced within a few weeks.

Late at night on 5 December, the third and final day of these wage negotiations, came the sudden breakthrough, with the settlement of 3 key awards at rates of 6.5 percent for terms of 10 months (which is equivalent to 5.8 percent for 9 months) rising to 7.02 percent. The actual conduct of these negotiations was described as "bizarre" by some participants, for the vital decisions were not reached in the bargaining rooms, but in high-level telephone consultations between the leaders of the union and employer sides and Government representatives. Some of the assessors first learned from press reporters the terms of the agreement they had supposedly negotiated; the Prime Minister refused to release details of the drivers' settlement that night because the people who were ostensibly negotiating that settlement in Christchurch had to be informed first.

The amount of the increase was above the Government's ceiling of 5 percent, but Mr Lange hailed the result as a triumph, and there was overwhelming relief that the wage round had not collapsed. 6.5 to 7.02 percent became the new unofficial guideline for subsequent negotiations, and most awards were settled within these limits. There were, however, some exceptions: the meat workers talks in Christchurch broke down when the employers maintained their refusal to offer more than 4.8 percent, with an upper limit of \$18 a week. In the case of the woollen workers and workers in carpet and knitting mills, the employers offered 6.5 percent but the union held out for more and threatened to call stopwork meetings in February.

A Heylen poll commissioned by the Employers Federation and taken in October, showed that two thirds of those polled opposed compulsory unionism, with the strongest opposition coming from the youngest age group. A further poll taken in December by the National Research Bureau gave a very similar result. The Government nevertheless introduced its Union Membership Bill on 20 December; the Parliamentary Undersecretary for Labour, Mr Isbey, pointed out that in the ballots conducted by the previous National Government 89 percent of workers had supported compulsory membership. The bill reintroduced the unqualified preference clause, now called "the union membership clause", for all workers, but provided for a 3-person Union Membership Exemption Tribunal to which workers with genuine objections could appeal. Eighteen months after the bill becomes law and every 3 years thereafter, ballots are to be held in all unions to decide whether the membership clause is to be retained. Parliament referred the bill to the Education and Labour select committee.

Air New Zealand announced in November that a new computerised roster system for international flights would come into force on 19 December, designed to give a more equitable distribution of work to cabin crew, with consequent enhancement of their life style. The Airline Stewards and Hostesses Union took a very different view of this roster which, it claimed, reduced the early warning period and increased the stand-by period from 3 to 5 days, thus cutting at the stability of family life. The roster, it charged, was being introduced unilaterally just before Christmas because the company hoped to gain public sympathy if the union reacted. The union did react nevertheless: it took a poll of all cabin staff, which produced an 80 percent majority in favour of direct action, and it gave the company 14 days notice of such action, due to expire on 18 December.

Last minute talks chaired by an industrial conciliator ended in failure on 19 December, and the strike, which grounded all Air New Zealand international and domestic flights, started the next day. The airline responded by sending a telegram to the union threatening to sue for losses incurred (said to amount to a million dollars on the first day alone) and it sent dismissal telegrams to crew members who had failed to report for work. The Prime Minister and the Minister of Labour appealed to cabin crew to resume work pending a compulsory conference on the dispute, but the Minister of Defence attacked Air New Zealand for being "very provocative" in introducing a new roster just before Christmas. The strike stranded thousands of passengers and held up exports throughout New Zealand.

The Prime Minister called the parties to Wellington on 21 December in an effort to settle the dispute, but without success. The union offered an immediate resumption of domestic services, to be followed some days later by a return to work on international flights if the company agreed to talks on modifying the roster. Air New Zealand replied at first that it would not consider any changes to the roster; it then demanded a full resumption of work on all services before it would hold talks on the roster, and it sent out further dismissal notices. It took 3 days and the intervention of Mr Knox before the company accepted the union offer to resume domestic services first, which moved the bulk of the stranded passengers. The dispute was finally settled on Christmas Eve, after some further all-night sittings in which the company agreed to modify the roster by reducing the on-call period and make other changes requested by the union. The Minister of Tourism, who had helped to bring the parties together, expressed his shock at the strong distrust evident between airline staff and management, who had argued word by word over the 11-

page final document. "You don't get middle-class workers acting so strongly without deep underlying problems", he commented. The chief executive of the company claimed that there had been "at least one element" determined to draw out the negotiations and prolong the dispute. He refused to elaborate, but he did not apparently refer to the airline management.

Lack of progress in Dairy Workers reclassification talks in Hamilton caused a walkout at the Te Aroha Thames Valley Co-operative Dairy Company in Paeroa on 30 November. Workers at other dairy factories gave notice of industrial action, and widespread strikes were threatened when the talks broke down completely on 7 December. The stoppages were called off however, and negotiations on reclassification and on a new award resumed in Wellington on the 10th. Three days later, when the talks adjourned without settlement, the Dairy Workers Union called a strike of its 5 000 members in 50 factories throughout New Zealand, and it did not agree to return to conciliation until 14 December, after discussions with the Minister of Labour, the FOL and the Employers Federation. According to the employers, about 8 million litres of milk had to be dumped during the strike. The award talks were settled on 18 December, when the union accepted a new pay structure of 9 job levels, with average wage rises ranging from 9.65 to 12 percent.

An overtime ban imposed by fitters at 3 North Island freezing workers on 30 November, in a bid for a bonus payment, was called off on 10 December. One hundred and twelve brewery tradesmen who claimed increases on 27.6 percent in their composite agreement, walked out in Auckland on 20 December when their pay talks collapsed. The employers offered only 7.02 percent. Negotiations for house agreements at the Glenbrook steel mill and at the Alcan aluminium plant in Auckland also broke down. The steel mill production workers, who claimed parity with workers on the mill extension site next door, held a 24-hour protest strike on 19 December.

At the Marsden Point extension site, where a large part of the workforce refused to return to work, the MRC consortium warned that it was considering legal action against unions and their officials for breaches of the Disputes Act and for recovery of losses caused by the disruption. The Minister of Labour announced on 3 December that he intended to call a compulsory conference on the dispute, but the consortium refused to attend, while continuing to insist that striking workers sign a personal pledge binding them to the special disputes legislation, if they wished to be re-employed. The workforce, according to the consortium, was suffering severe intimidation and victimisation at the hands of some union officials and the militant minority, and company attendance at a compulsory conference would "clearly demonstrate that those who defy law and order had achieved their goals". The Government was thus forced to abandon the idea of a compulsory conference; it also aborted the Commission of Inquiry and replaced it, on 8 December, by a one-man inquiry to be conducted by a former Attorney-General, Dr AM Finlay, QC.

The MRC consortium laid charges against 3 union officials in the Whangarei District Court for instigating an illegal strike, and it also sought a High Court injunction to stop union officials from enticing workers to strike. When the High Court case was heard in Auckland on 13 December, the consortium withdrew its application, but the Engineers and Labourers Union lodged counter-claims seeking an injunction to restrain the consortium from preventing union officials visiting the site and to prevent them insisting that a re-employment document be signed. Mr Justice Barker refused the union application, but said that it seemed rather pointless to insist on workers signing a document which added nothing to the rights of the consortium. Dr Finlay, while not referring specifically to the company document, commented that asking people to put in writing that they would observe legal obligations already binding on them added nothing to the law, but the consortium said it considered it important to gain an express commitment by workers to the provisions of the Disputes Act.

The 3 week stoppage was settled when the striking workers agreed to sign the consortium's document. They returned to work for half a day on 20 December, before the site closed down for the holiday period. The strikers received their holiday pay and re-

tained their redundancy entitlement, and the consortium agreed to allow union officials back on the site.

The South Island secretary of the NZ Workers Union was suspended in November and later expelled by a special conference on the grounds that he had challenged the officers and national council of the union. Dissatisfied South Island members formed an incorporated society as a base to fight for reform of the union.

Six storeworkers unions amalgamated to form the New Zealand (except Northern, Hawkes Bay, Canterbury and Westland) Storeworkers, Packers and Warehouse Employees Union. The new body will have a membership of about 6 000, compared with more than 7 000 in the Northern and Hawkes Bay Union and some 2 000 in the Canterbury and Westland Union.

Auckland watersiders called a strike at the container terminal on 5 December, when the employers refused union requests for increased manning to handle loose (i.e. non-containerised) cargo. The strike spread quickly to container terminals in the other main ports. It was settled after a fortnight, when the National Association of Waterfront Employers agreed to put on extra men provisionally until February, when a new container award is to be negotiated.

## JANUARY 1985

The wage round negotiations resumed on 7 January, and most awards were settled within the 6.5 to 7.02 percent range. The Minister of Labour on 13 January described the "minimum of disruptions" as "little short of miraculous", but by the end of the month, while still content with the progress achieved, Mr Rodger urged negotiators whose talks had broken down to take their disputes to arbitration. The Minister of Finance on 31 January warned that the Government would not tolerate "irresponsible behaviour by a small minority of unionists or employers". "Any group of unionists demanding excessive wage rises," he said, "might show some benefits for themselves, but are going to put thousands of others out of work."

The chief executive of Air New Zealand sent a lengthy personal letter to all employees in which he blamed "blatant self-interest" during the recent cabin crew strike for undermining the company's economic recovery. The Airline Stewards and Hostesses Union dismissed the letter as "provocative and misleading", and as a "scare tactic" to prevent any further industrial action by disgruntled staff. The Airline Pilots Association, which had not taken part in the strike, said the blame for the dispute lay "almost entirely with the airline management" and described the letter as "a public display of corporate paranoia" and an attempt to score belated points. Aircraft Engineers asked for an independent inquiry into the airline's industrial relations which, they claimed, "were practically non-existent".

The main award for clerical workers was settled in Christchurch on 16 January, providing increases of between 6.48 and 7.66 percent. The employers refused to accept a clause on sexual harassment, but agreed to include a statement in the award that unions and employers regarded sexual harassment in the workplace as "totally unacceptable". A joint working party has been asked to report to the next award talks on the union claim for a detailed sexual harassment clause.

Three years after the Human Rights Commission ruled on discrimination against women members of the Cooks and Stewards Union, Mrs Annette Kereru became the first women steward on an ocean-going container ship, the Aotea. An agreement on the engagement of women was signed last October between the union and the Maritime Employers Association.

About 150 Tauranga Electric Power Board employees went on strike on 9 January, when the board refused discussions on an in-house agreement on pay and conditions, because award negotiations were due to take place in February. The workers were seeking parity with employees of the Tauranga Joint Generating Committee. The board filed an

application for an injunction in the Wellington High Court, but the strike was settled on 13 January, when both sides agreed to abide by the results of the award talks. The board also undertook to set up a working party to deal with complaints over pay, conditions and safety issues.

Marsden Point refinery operators gave 14 days notice of industrial action on 17 January, in protest against a breakdown in their wage talks. They were seeking a 15 percent rise in their voluntary agreement, including a \$1.70 an hour site allowance, while the company offered the standard 7.02 percent. On 30 January the operators imposed a ban on oil shipments to and from the refinery, and the company decided to close down the plant.

The strike by brewery tradesmen in Auckland and Hamilton continued throughout January. The Prime Minister called their 27.6 percent claim "unacceptable", but the press revealed that the directors of Dominion Breweries had accepted a 22 percent increase in their fees and that other major companies had raised directors' fees by up to 85 percent. Mr Lange called these increases "disgraceful", but only one instance was reported of a board agreeing to retract them, when the directors of the ANZ Bank announced they would cut back their 44 percent rise to whatever the bank employees would gain in their forthcoming award talks. The brewery tradesmen rejected a company offer of a compulsory conference and a 9.8 percent increase over 14 months (which was equivalent to 7.02 percent over 9 months) and they also refused to take the dispute to the Arbitration Court. About 20 fitters at Oasis Industries in Auckland stopped soft drink production on 3 January in a dispute over their new house agreement. They asked for 11.5 percent, but they resumed work on 16 January after accepting a company offer of rises of up to 7.02 percent.

Negotiations on the freezing workers' award resumed in Christchurch on 7 January and led to an agreement under which the union accepted a 5.2 percent increase over 9 months, which was less than the "going rate". The opening of the killing season at the Makarewa works of the Southland Frozen Meat Company was delayed by the company's insistence on new incentive contracts which cut total pay by about \$4 million. The secretary of the Meat Workers Union warned of the likelihood of a national stoppage over this issue and, after the failure of further talks, the Makarewa and Maitaia branches of the union gave the company notice of industrial action. The notice had not yet expired when a peace formula was found on 15 January, which settled the dispute.

Public hospitals experienced industrial trouble on several fronts. Negotiations between the Resident Medical Officers Association and the Hospital Medical Officers Advisory Committee failed to reach agreement on a reduction of working hours. The doctors wanted their average hours reduced from 70-80 a week to 60. In a press statement on 31 January they referred to the possibility of industrial action, such as refusing routine clinic work and form-filling.

A claim by the Nurses Association for increases of between 6 and 14 percent, in addition to the general adjustment for state servants, was rejected by the Hospital Services Committee. The Auckland branch of the association held meetings in major hospitals and replies to a questionnaire indicated that a majority of nurses were prepared to take industrial action, such as working to rule or maintaining essential services only. Serious staff shortages caused by inadequate salaries had placed extra burdens on nurses who, according to the South Auckland regional officer of the association, had "reached the limit of their ability and willingness to cope."

Negotiations for the public hospitals' domestic workers award broke down when the employers put forward proposals which involved a pay cut for many workers. The Hotel and Hospital Workers Union, which claimed a \$30 a week increase on all wage rates, held meetings of affected staff which voted in favour of direct action. In Wellington, hospital orderlies imposed bans on the handling of medical records, the delivery of drugs and the transporting of patients' bodies. The private hospitals' award was settled with agreement on increases of 9.2 percent.

Officials of 10 state and private sector unions in Auckland formed a Combined Health

Unions Committee (CHUC) to protect their members' interests in the setting up of the Northland Area Health Board, a pilot scheme which will amalgamate Health Department and Hospital Board services in the district.

Hearings by the one-man committee on industrial relations at the Marsden Point refinery extensions were due to open in Auckland on 16 January, but were delayed when the employers queried the scope of the inquiry, which they wanted to confine to the narrow issue of the recent dispute. Dr Finlay ruled that the inquiry would be wide-ranging and would cover any aspect of industrial relations that might be identified during the hearings. The taking of evidence began on 21 January.

Christchurch policemen were said to be "on the verge of revolt" and poised to take industrial action because they were not allowed to carry long batons on all occasions. A special meeting of the local branch of the Police Association on 16 January discussed the issue, as well as other grievances relating to staff shortages and salaries. They demanded the immediate allocation of an extra 120 front-line police to the district.

Public service typists held stopwork meetings on 29 January to protest against the rejection of their pay claim by the State Services Co-ordinating Committee. In Auckland about 300 typists attended in the morning and then decided not to return to work for the rest of the day.

Negotiations on the Northern and Hawkes Bay stores award broke down on 8 January, when the employers refused to offer more than 6.5 percent over 10 months, and that on condition that the union did not seek greater increases in house agreements. The union argued that many employers were paying above award rates and asked for a flat \$30 rise as a step towards converting the award from a minimum rates to an actual rates document. A stopwork meeting in Auckland on 24 January, which was attended by more than 3000 members, decided on an immediate 4-day strike. They followed this up with bans on overtime and container loading at individual workplaces.

## FEBRUARY 1985

Most awards continued to be settled within the unofficial guidelines, but a number of unions, mainly in Auckland, held out for bigger increases in second-tier bargaining with individual companies. The Government urged unions which could not reach agreement in their wage talks to take their case to the Arbitration Court, but unions preferred to put pressure on employers through direct action. When employers on 5 February accused the Government of "surrendering the economy to the antics of the trade union movement", the Prime Minister summoned FOL and employers' representatives to the Beehive on 7 February to resolve the Auckland disputes. The FOL however refused to restrain its affiliates or to press them to go to the Court. "The 7.02 percent has never been accepted by the FOL or the trade unions as being the ceiling," said Mr KG Douglas after the meeting. "The guidelines", he added, "should be flexible upwards and downwards." The director of the Auckland Employers Association on 8 February spoke of a major breakdown of industrial relations in Auckland, but the Prime Minister expressed optimism that the disputes would be settled shortly. "This Government", he warned on 11 February, "is not going to allow its economic strategy to be destroyed." The strikes continued nevertheless and succeeded in many instances in gaining increases above the guidelines.

The Auckland Engineers Union was in the forefront of the campaign for larger increases. Some 600 engineers struck at the Glenbrook steel mill at the beginning of February over a claim for parity with workers at the neighbouring steel mill expansion site. Forty Engineers Union members at Taharoa came out in support. At the same time, some 500 engineers at the Pacific Steel plant in Otahuhu started a campaign of rolling strikes in protest at the company's rejection of their claim for an 11.5 percent wage increase. About 300 engineers at the Alcan aluminium plant in Wiri joined these rolling stoppages, citing



the company's good profit and high directors' fees as grounds for meeting their wage claims.

These actions were suspended in the middle of the month to allow negotiations to resume, but at northern car assembly plants, after a series of strikes, overtime bans, and go-slows, the employers locked out all 2 000 workers from 21 February. The Engineers Union claimed that the lockout was illegal and threatened to lodge a complaint with the Arbitration Court, but negotiations brought a settlement to the dispute and work resumed on 1 March. The employers conceded a 9 percent wage rise over 10 months, and accepted that separate plant agreements would continue at the 6 works. Wellington car assembly workers (members of the Coach Workers Union) voted to strike from 11 February over their award claims. Here too the employers threatened to suspend all assembly workers, but the coachworkers called off their strike and, after further negotiations, accepted increases of between 9 and 11 percent.

Engineers who operate pumps and bunkering at oil depots throughout New Zealand stopped work for 48 hours from 18 February over the breakdown of their award talks, but the most intractable dispute was the northern brewery tradesmen's strike, which continued throughout February. The tradesmen involved were members of the Engineers, Electricians, Plumbers, Carpenters and Painters Unions. They demanded an hourly rate of \$8.50, equivalent to a 27.6 percent increase, and they refused to budge from this demand despite appeals and threats by the Prime Minister, the Minister of Finance and the Minister of Labour. On 27 February the 2 brewery companies suspended about 500 members of the Allied Liquor Trades Union in Auckland and Hamilton, but continued to pay their salaried, clerical and security staff. The brewery workers hit back with an appeal for a ban on beer supplies to the northern district, which won the support of southern brewery workers and of transport unions. Boiler attendants at the Lion brewery in Christchurch held a 24-hour sympathy strike on 28 February.

The Airline Stewards and Hostesses Union sought to amalgamate the domestic and international crews' awards, which involved increases of up to 23 percent for domestic crews. The union gave 14 days notice of industrial action on 1 February, but withdrew this notice a week later, when Air New Zealand agreed to a new basis for negotiations.

Labourers and engineers at the Cape Foulwind plant of NZ Cement Holdings went on strike in support of a demand for parity with North Island cement workers. Workers at the Burnside plant in Dunedin joined the dispute, while workers at the Portland plant struck when employers rejected their demand for an 8.6 percent increase. The Portland dispute was settled, but the southern cement workers remained on strike.

Dr Finlay continued throughout February to hear evidence on industrial relations at the Marsden Point refinery extensions. The Marsden Point refinery operators' dispute, which threatened the country's petrol supplies, was settled on 21 February when the men returned to work after accepting a company proposal.

More than 1500 Westfield freezing workers walked out on 31 January in a dispute over the interpretation of their agreement. They voted to resume work on 18 February, after gaining only minor concessions.

Talks on the public hospitals' domestic workers award broke down on 6 February, when the Hospital Boards offered increases of 6.5 percent only. The union then asked its members to vote on a recommendation to hold a national 24-hour strike, the first ever in this industry. Meanwhile various work bans continued at hospitals throughout the country, covering the preparation of meals for staff, cleaning and administrative areas, transport of bodies to mortuaries and the like. They were designed, said a union organiser, to cause maximum inconvenience to administrative staff without affecting patient care. Nursing staff gave their support by refusing to do domestic work. The bans were lifted to allow negotiations to resume, but on 26 February these talks once again failed to reach agreement.

Award negotiations for licensed hotel employees also broke down, when the Hotel and Hospital Workers Union rejected an employer offer of an 8.4 percent increase over 12 months. The union, which had sought a \$45 a week increase, then called nationwide

stopwork meetings to consider its response. Workers at these meetings approved a recommendation to strike for 2 days each week unless the dispute was resolved.

The Nurses Association decided to resubmit its salary claim during the next wage round, starting in July, while the Minister of Health undertook to commission a study of the size and reasons for the acute nursing shortage. One of the reasons, according to the Association, is that Australian hospitals are offering free air fares and double the New Zealand salaries to attract nurses. A meeting of Auckland nurses, called by the Nurses Society on 20 February, threatened to remove 90 hospital beds unless urgent action was taken to reduce their work load. The Hospital Board decided to close 1 children's ward, shut 2 other wards at weekends, and to cancel all but acute and emergency admissions, but a second nurses' meeting on 27 February dismissed these measures as inadequate and passed a vote of no confidence in the board's principal nurse.

The Resident Medical Officers Association decided at its annual meeting in February to appoint a professional advocate. Dr R Moodie, the secretary of the Police Association, offered to assist the doctors in setting up a more efficient organisation.

Some 950 Kinleith paper workers struck for 24 hours on 28 February, when the company rejected their claim for a 16.5 percent increase over 9 months. Negotiations for the photolithographers' award broke down on 22 February, when the employers rejected a demand for a 9.6 percent increase. The union announced plans to hold stopwork meetings in the main centres to discuss the breakdown. About 170 savings bank staff at the Auckland chief post office held a strike on 28 February to protest against bad working conditions.

State employees gained a 7 percent general adjustment in line with the movement in key awards, but Government tradesmen received an additional 4 percent to bring them in line with private sector rates. The Minister of Finance warned that this 11 percent rise should not be misinterpreted as giving a lead to the private sector, as it was entirely retrospective. Public service accountants and computer staff also gained substantial increases of up to 30 percent to keep them aligned with private sector salaries. In the case of public service typists it took stopwork meetings in the main centres before the State Services Commission agreed to increases of between 6 and 10 percent, on top of the general adjustment. Public service meat inspectors held stopwork meetings throughout New Zealand on 8 February to consider their stalled pay talks. They imposed an overtime ban on 11 February, but lifted it the next day to allow negotiations to continue.

Nineteen technicians and quality control staff at the Firestone tyre factory in Christchurch went on strike over pay claims in excess of 7 percent. Three hundred other members of the Rubber Workers Union joined the dispute or were suspended.

The Northern Stores Union announced on 3 February that it intended to "crank up the action" in support of its \$30 a week claim, by further work-to-rules and various bans, rather than strikes. Some firms settled for higher amounts than the \$15 offered by the employers, but other firms responded by suspending their workers. On 8 February the parties agreed to lift all bans and suspensions and to submit the dispute to an industrial mediator, Mr W Grills. On 28 February they reached agreement on a 7.5 percent basic rise which, with increases in allowances, will give most workers more than a 9 percent increase.

Some 300 woollen workers at the UEB Awatoto plant in Hawkes Bay went on strike on 28 January over a demand for higher wages. They voted to resume work on 18 February when the company offered a new incentive bonus scheme.

A preliminary conference to discuss the proposed NZ Council of Trade Unions met in Wellington on 18 and 19 February. The attendance was less than expected, with 193 delegates representing 73 unions, some of them not affiliated to either FOL or CSU. The Minister of Labour told delegates that the Government would do all it could to assist the establishment of the council, and would initiate legislation, if necessary, at the appropriate time. There was general agreement with the proposals and the working party was charged with drafting a revised constitution, incorporating the conference decisions, by

April, together with a proposed budget. The aim now, said Ms Sonja Davies who chaired the conference, was "to have this thing up and running by the end of 1986".

The parliamentary select committee began to hear submissions on the Government's Union Membership Bill on 20 February. The response by union and employer groups was predictable, with unions generally in favour and employers opposed, but among the more unusual submissions was a claim by the Executive Brethren Church that the bill was anti-Christian, because the master-servant relationship was of God and for any trade union to come between an employer and an employee was against the truth of Scripture.

Herbert Roth