

# CHRONICLE

## MARCH 1985

Relations between the trade union movement and the Labour Government reached "something of a crisis" when the Government decided to float the New Zealand dollar. "We now have grave doubts that it is possible to operate a stable and agreed prices and incomes policy," said a joint FOL-CSU statement on 4 March. "There is no longer balance of fairness in the way prices and incomes are set in New Zealand."

Later that month the 2 organisations released a booklet *Wages, Jobs and the Economic Debate*, which argued that the Government's economic policy reflected the interests of big business, and put forward an alternative 5-point plan to rebuild the economy. "While we are in a crucially important debate over economic policy with the Labour movement," commented Mr R Campbell, of the Shop Employees Association, "we should recall that with the alternative party debate was impossible." The future of the union movement, he stressed, was closely linked to maintaining in power a Labour Government operating on sound Labour principles.

The Minister of Labour, in speeches to the Wellington Regional Employers Association on 5 March and to the Drivers Federation conference in New Plymouth on 26 March, deplored the fact that unions had resorted to industrial action during the current wage round and had failed to make use of the more flexible criteria available to the Arbitration Court. The minister expressed his pleasure, nevertheless, at the progress of the wage round, which he described as a gamble which had succeeded, and his confidence that the next wage negotiations, due to start in September, would proceed without industrial strife.

Both the minister and the FOL urged an early start for tripartite talks on the next wage round, but Mr K Douglas stressed that "workers can't continue to absorb the sort of price increases that have been occurring." Mr T Neary, of the Electrical Workers Union, wanted the coming wage round postponed to June 1986 and replaced by an application to the Arbitration Court for a general wage order this June. Mr Knox said the FOL would seek both a general wage order and a negotiated wage round this year, but the employers replied that the unions could not have it both ways and that they should give the jointly agreed wage-fixing system a chance to work.

The Employers Federation sponsored large newspaper advertisements on 8 March in opposition to the Union Membership Bill. An Auckland union secretary dismissed the advertisements as "hysterical nonsense", drawing attention in particular to the claim that unions could decide on compulsory membership by calling "a meeting in a country town at midnight to vote on the issue", which he described as scurrilous. The Human Rights Commission released a discussion paper on compulsory unionism on 29 March, in which it argued that the law should protect rights to freedom of speech and association, but should not compel anybody to exercise them. "Workers," it wrote, "should be permitted to remain outside a union without disadvantage, but also without advantage to themselves."

The Social Credit MP, Mr G Knapp, introduced a Bill on 20 March which sought to repeal the Public Safety Conservation Act of 1932. This act had been used in the 1951 waterfront dispute and the Government had threatened to invoke it during a dispute at Marsden Point in 1982. Parliament referred the bill to a select committee.

Members of Actors Equity launched a nationwide living wage campaign on 11 March with a colourful demonstration outside an Auckland theatre. On 30 March actors in Auckland and Christchurch went on strike in protest against the breakdown in their national award talks.

Award negotiations between Air New Zealand and the Airline Stewards and Hostesses Union broke down on 25 March. Major areas of disagreement concerned the amalgamation of the domestic and international awards, and staffing of the new Boeing 767 aircraft, which is scheduled to fly on both domestic and international routes.

The banks officers' award was settled after 2 days of negotiations, resulting in a 9.75 percent across-the-board increase.

The Westport and Dunedin cement workers' strike, which had continued throughout February, was settled early in March. It resulted in a "significant move" towards restoring relativity with Golden Bay cement workers.

TAB telephonists in Wellington started a go-slow after the board rejected a claim for time and a half payments for Saturday work. This was the first ever industrial action by TAB staff, and the dispute quickly spread to other centres. The Clerical Workers Union and the TAB later agreed on a 7.15 percent wage rise, but the penal rates claim for Saturday work was referred to the Arbitration Court. Another group of clerical workers, 85 employees of Wellington car assembly plants, also took industrial action and gained a basic pay rise of 9 percent which, with significant increases in service allowances, took their total rise to between 15 and 17 percent.

A Cooks and Stewards Union picket which had held up the bitumen tanker Taiko for 4 days, was lifted on 1 April, after the Union Steam Ship Company obtained a High Court injunction. The dispute, which was over crew accommodation, had forced the suspension of bitumen production at the Marsden Point oil refinery.

The Stationary Engine-Drivers Union in Auckland negotiated with individual companies for a substantial wage rise, including a new core rate for workers without qualifications. After some 5 weeks of negotiations with about 20 companies, only 2 firms had accepted the union claims. When a third company, Nestle, verbally accepted the demands but then backed out of the deal on the advice of the Employers Association, the union called a stopwork meeting of Auckland members on 14 March, following which the 3 boiler attendants at Nestle began an indefinite strike which brought production to a standstill and forced Nestle to suspend its production workers. According to the employers, the union claim to bring second-class boiler attendants up to the level of a core fitter would have wide-ranging repercussions, with fitters everywhere seeking to restore their earlier relativity. The dispute widened late in March when boiler attendants took action at other Auckland firms which had rejected the union claims.

The Auckland and Hamilton brewery tradesmen's strike, which had continued since late December, was settled on 10 March in a compulsory conference called by the Minister of Labour. The tradesmen gained a 9 percent increase in their core rate, but a new brewery industry industrial allowance, to take account of the introduction of new technology in the industry, brought their total gain to between 13 and 16 percent. The mediator also awarded 8 days' pay to the brewery production workers, drivers and engine-drivers to cover the time they had been suspended during the tradesmen's dispute. Cabinet was reported to have considered removing import controls on beer to show its displeasure at the large wage increases conceded by the breweries, and the Minister of Labour reportedly intervened in the brewery workers' award negotiations to prevent the tradesmen's increases being passed on. The award talks broke off without agreement having been reached.

Firefighters outside the northern district imposed a ban on routine duties and non-emergency calls in a dispute over allowances. They lifted the ban after 2½ weeks, when an industrial conciliator awarded them increased allowances.

The Arbitration Court, in a split decision released on 26 March, upheld an appeal by the NZ Harbour Boards Employees Union against the decision of the Registrar of Industrial Unions to grant separate registration to the Wellington Harbour Board Workers Society. This society had been formed by Wellington members of the union, following a postal ballot held in December 1983. Judge NP Williamson dissented from the majority decision by the worker and employer members of the court.

The Hospital Domestic Workers award was settled on 11 March, after a threat of

further bans. The hospital boards had sought a reduction in wages and changes in the part-time clause, but the final settlement raised wages by 7 percent and left the part-time clause unchanged.

Hotel workers in most districts held 2-day strikes early in March in protest against the breakdown of their award talks. Hotel staff in Queenstown went on strike for 4 days, but northern district hotel workers decided to defer action until after the settlement of the brewery tradesmen's dispute. Negotiations with the employers resumed on 15 March; when they broke down again, the union revived its campaign of rolling strikes, Auckland and Whangarei hotel workers walked out at midnight on 20 March, but the dispute was called off the next day after the union negotiators had met the Prime Minister and some of his colleagues and had learned "the parameters" within which the Government wished to see the dispute resolved. The workers had sought a flat \$25 increase, equivalent to about 12 percent. In resumed negotiations with the employers they gained an 8.1 percent increase over 10 months, but with a complex package of additional allowances which brought their effective age increase to 11 percent and upwards.

The combined workforce at the Glenbrook steel mill extensions voted on 6 March to endorse a new wage settlement which provided for a 8.41 percent increase over a 12-month term. The negotiations, which were completed without breakdown, lasted for 8 days. Dr M Finlay continued to hear evidence on industrial relations at the Marsden Point refinery expansion site. The MRC consortium asked for the inquiry to be suspended while the site agreement was being renegotiated; the unions objected strongly to what they saw as further delaying tactics, but Dr Finlay agreed to a suspension for one week only. The union side completed its evidence on 28 March.

South Island laundry workers were one of the first unions to gain a flat rate increase in the current wage round, when they negotiated a \$15 a week pay rise, equivalent to an increase of 8.3 percent over 11 months.

Ships' officers on New Zealand-manned ships, who are members of the Merchant Service Guild, held a 24-hour strike on 25 March, because the employers threatened to undermine their traditional relativity with other workers in the industry. The dispute was resolved the next day.

Some 150 Auckland printing ink workers, members of the Paint and Varnish Workers Union, struck early in March in support of a demand for an extra \$40 to \$60 a week, in addition to the 7.2 percent increase they had gained in their award negotiations in January. The strike, which affected the size of Auckland metropolitan newspapers, was settled on 22 March, when the workers accepted an extra 50 cents an hour on their basic rate, equivalent to another 5 to 7 percent.

The combined unions at NZ Forest Products negotiated a 10 percent rise in wages and allowances over a 13-month term for the company's 5 000 employees.

Photolithographers rejected the employers' 6.25 percent wage offer and called a 24-hour national strike on 15 March, followed by a 9-day ban on overtime. The strikers halted publication of daily newspapers in Hamilton, New Plymouth, Christchurch and Timaru. The union had sought a 9.25 percent increase, together with new shift allowances, but resumed conciliation talks on 25 March failed to reach agreement. The union then decided to revert to its original claim for a 30 percent increase and to refer this to the Arbitration Court.

Meat inspectors, whose overtime bans and stopwork meetings had cut production at freezing works, reached a settlement of their pay claims in negotiations with the State Services Commission.

Disgruntled members of the NZ Workers Union, who support the dismissed South Island secretary of the union, formed an incorporated society called the South Island Workers Action for Justice Association. They are seeking reforms in the union's employment and accounting procedures.

Woollen workers accepted an employers' offer of 9 to 9.83 percent increases over 15 months, but carpet workers, who are also members of the Woollen Workers Union,

rejected the same offer as inadequate. The carpet workers asked for an increase of 20 percent and, when their wage talks broke down on 1 March, they launched a nationwide campaign of rolling stoppages in support of their claim. At the Cavalier carpet factory in Wiri 4 union members defied the strike call, and full work resumed only the 4 agreed to donate the wages they had earned to charity. In mid-March UEB Industries settled the strike at its factories by offering a 10 percent increase over 12 months, plus a 15 cent an hour technology allowance. The dispute continued at the Feltex factories.

## APRIL 1985

Summing up the results of the wage round, Mr S Marshall of the Employers Federation noted that there had been a steady wage drift upwards since the early days of the round. While increases in hourly rates had generally been close to the guidelines, additional payments in the guise of allowances gave many workers double-figure increases, in some cases as high as 25 percent. Another employers' spokesman, Mr D Stewart of Auckland, described the results of the wage round as "chaotic and disastrous" for many employers, because of the way Auckland unions had won high settlements in second-tier bargaining. The Minister of Labour reiterated that the wage round had gone well and that more than 90 percent of awards negotiated had been agreed at levels close to the guidelines. He expressed disappointment however, that so few disputes had been referred to the Arbitration Court for settlement.

Employers also claimed that large settlements had benefitted highly paid workers and that union action had widened the gap between the haves and the have-nots, but among the beneficiaries of higher than average settlements were such low-paid groups as dairy workers, carpet workers, hotel and hospital workers, and agricultural workers. Meat workers on the other hand had settled at 5.2 percent, which was below the guideline.

Preliminary tripartite discussions on the next wage round opened in Wellington on 22 April, but even before then union officials called for an immediate interim wage order to meet the record rise in the first quarter price index. The trade union movement also launched a publicity campaign in opposition to the proposed Goods and Services Tax and against the Government's economic policies generally, which it saw as based on a low-wage strategy, while shifting income "to those who already have too much". "The present direction of many of the actions of the Government in the economy", said the FOL in its annual report, "reflects the interests of the corporate sector". A survey of top executive salaries published in the *New Zealand Herald* of 29 April, found that they had risen by between 20 and 30 percent since the ending of the wage freeze last year, with a significant number of posts advertised at above \$100 000.

Mr F Gerbic, the chairman of the labour and education select committee, told Parliament on 2 April that his committee had heard 389 submissions on the Union Membership Bill, 340 of them opposed to it on religious grounds. The principal objector however, was the Employers Federation, reported Mr Gerbic, and he expressed amazement that "hard-headed representatives of employers" were "crying crocodile tears of concern for the effects of this bill on the unfortunate working classes of this country". According to press reports, total union membership dropped by about 50 000 last year, with the biggest losses in the northern industrial district where the shop employees' union lost over 40 percent and the clerical workers' union a third of its members. The National opposition denounced the Union Membership Bill as "unacceptable, abhorrent, obnoxious and quite unnecessary" and promised to obstruct its progress at every step. The Minister of Labour however, expected the bill to be passed by Parliament and to become effective from 1 July.

Actors Equity reduced its wage claim from 50 to 25 percent and returned to conciliation talks with theatre managers, but the negotiations broke down when the managers offered only 7.02 percent, while expressing support for improved salaries. Equity held

a nationwide 24-hour strike on 19 April, including film, broadcasting and television actors, and gave 14-days' notice of further industrial action.

The Air New Zealand cabin crew dispute was referred to an industrial mediator, Mr W Grills, but the union maintained its ban on the manning of the company's new Boeing 767 airliner. Air New Zealand announced that it intended to absorb the cost of the perks tax on staff travel discounts.

The strike by boiler attendants at the Nestle factory in Wiri was settled after 3 weeks, when the company agreed to return to the original deal and upgrade its boilermen.

National pay talks for some 2 000 freezing works tradesmen collapsed on 28 March, when the companies rejected a claim for a 25 percent increase, which would have restored the relativity between tradesmen and freezing workers which had existed before 1978. The tradesmen gave notice of an indefinite strike from 1 April, and in return the companies, which had offered a 5.2 percent increase, refused to present stock and suspended most of the 25 000 freezing workers at all 43 works. One hundred and forty freezing works shift engineers, who are represented by the Institute of Marine and Power Engineers, also gave notice of industrial action over a breakdown of their pay talks, but killing resumed on 9 April, after both sides had agreed to allow a mediator to enquire into the dispute.

NZ Forest Products maintenance engineers at Kinleith imposed an overtime ban at the end of March, when the company rejected their claim for a dollar an hour skills payment. After a fortnight the company suspended all maintenance workers and threatened to suspend production workers as well. The engineers resumed work on 17 April after accepting an undisclosed settlement.

Five hundred cleaners and kitchen staff employed at boarding schools throughout New Zealand voted to take industrial action after a breakdown of their award talks. After strikes in Auckland, Hamilton and Masterton schools, where teachers, parents and pupils were reported to be sharing domestic duties, the employers agreed to refer the dispute to the Arbitration Court.

The hearing of evidence on industrial relations at the Marsden Point refinery extensions continued. Site unions, meanwhile, began preliminary negotiations on a new site agreement and on terms for the forthcoming refinery shutdown. They sought an increased construction allowance and various other improvements.

The Waikato Miners Union held a 48-hour protest strike on 23 and 24 April, which stopped production at 3 Huntly underground mines. They then sought further talks with the Mines Department, which had rejected their award claims covering mechanisation.

Auckland nurses picketed the Hospital Board building on 16 April, while Wellington nurses marched on Parliament that day to deliver a letter to the Minister of Labour asking for better pay and action on staff shortages. At its annual conference, which opened on the following day, the Nurses Association decided to increase the number of industrial negotiators on its staff, and to hold a secret ballot of members on industrial action if the forthcoming wage round failed to give satisfaction. Oakley Hospital nurses imposed a ban on non-nursing duties, and staff at psychiatric and psychopaedic hospitals in Auckland announced plans for a series of 24-hour stoppages, but the PSA called off the action on 26 April to allow talks on staffing levels to resume.

Administrative staff at universities voted in favour of representation by the PSA. The staff had earlier voted for representation by an autonomous university body, but the Minister of State Services had ordered a new vote because the PSA had been excluded from the first ballot by the previous government.

The Government convened a shipping conference which met at Waitangi on 17 April, to discuss the problems of the industry. The secretary of the Merchant Service Guild advocated the formation of a single union covering seamen, cooks and stewards, officers and engineers, to meet the needs of modern high technology ships, but other union representatives expressed doubts. There was general agreement however, that new disputes procedures were required, and the Minister of Transport promised reforms. The conference decided to set up a maritime task force, which will seek to improve the effective-

ness of the industry and speed the introduction of a new Shipping Act.

Carpet workers continued their strikes at 5 Feltex factories in Auckland, Lower Hutt and Christchurch in support of a wage deal already accepted by UEB Industries. A compulsory conference on 4 April failed to reach agreement, but the strike was called off on 15 April when Feltex accepted the union demands. Increases in some allowances were referred to the Arbitration Court.

## MAY 1985

The FOL annual conference, which met in Wellington from 7 to 10 May, discussed 3 major issues: the Government's economic policy, with special emphasis on the proposed Goods and Services Tax, wage fixing, and the proposals for a NZ Council of Trade Unions. "The goodwill of the trade union movement (towards the Labour Government) is conditional only," warned Mr Knox in his presidential address. "Certain reforms are needed if that goodwill is to be fully guaranteed." He nevertheless expressed support for the Labour Government, and this approach was confirmed in a conference resolution which congratulated the Prime Minister on the election result, stressed the FOL's commitment to work with Labour to rebuild the economy, but also expressed "considerable concern at the impact and direction of economic policy." The delegates approved by a massive majority a remit opposing the Goods and Services Tax, despite an undertaking by the Minister of Finance to set up a joint committee with the FOL to discuss the tax.

The delegates also voted overwhelmingly in favour of an immediate general wage order to compensate for recent price increases, but the Prime Minister, in his address to the conference, rejected this demand which, he said, would mean a return to direct intervention in wage fixing by the Government. Mr Lange, who even before the conference opened had hinted that wage settlements this year could be substantially below the 10 percent, again called for patience and restraint.

The conference approved an executive recommendation asking affiliates to consider and resolve on the report of the Working Party on the NZ Council of Trade Unions, so that the FOL could make a decision on the proposal either at a special conference or not later than the 1986 annual conference. The FOL also offered full support to individual unions which took action against the All Black tour to South Africa, and it decided to ask the Broadcasting Corporation not to broadcast or telecast any of the tour matches.

The 1985 Tripartite Wage Conference opened in Parliament Buildings on 20 May. The unions restated their demand for a general wage order and called for the abolition of the 12-month rule for the currency of awards, because high inflation was imposing "unsustainable pressures" on the industrial relations system.

The Employers Federation lodged a complaint with the International Labour Organisation against the Government's proposal to reintroduce compulsory unionism. The Minister of Labour dismissed the complaint as "unworthy of serious consideration", while the chairman of the parliamentary labour and education select committee described it as a joint "National Party-Employers Federation jackpot".

Actors, dancers and theatre production workers gained a 25 percent wage increase over 13 months in conciliation talks with the Association of Community Theatres. Other performers, such as variety artists and models, also gained substantial increases, in some instances up to 59.9 percent.

Members of the Northern Butchers and Grocers Union employed at 16 Three Guys supermarkets went on strike on 2 May over a claim for an across-the-board \$15 increase. They resumed work 5 days later, after gaining improvements in allowances amounting to an extra \$11.70 on average per week.

Cleaners gained a 10.3 percent increase over 10 months in a new award from the Arbitration Court. The employers' representative dissented on the grounds that parity with school cleaners was irrelevant and that the backdating to 1 March imposed substantial additional costs on employers.

Nursing staff at Kingseat psychiatric hospital staged a spontaneous stopwork meeting on the afternoon of 13 May, and called on the Auckland Hospital Board to engage 40 more staff to relieve chronic nursing shortages. Two days later, representatives of unions and other organisations employed in Auckland hospitals, including senior and junior medical staff, met to discuss the growing crisis in the public health services. They issued a joint statement calling for urgent talks with the Minister of Health to prevent a complete breakdown due to staff shortages, insufficient funding and inadequate working conditions. The chairman of the Auckland Hospital Board denied that there was any crisis and refused to join the union representatives in an approach to the minister.

On 23 May the Auckland Resident Medical Officers Association, which represents about 480 house surgeons in public hospitals, held an unprecedented 2-hour stopwork meeting to discuss working conditions. The junior doctors' major grievance is excessive working hours — shifts of 50 hours or more and an average working week of 80 to 90 hours. Those present at the meeting demanded a reduction in hours, adequate compensation for working overtime, and changes in the doctors' negotiating body. They voted 356 to 14 in favour of direct action, such as refusing to deal with non-urgent cases, if their conditions were not improved. House surgeons in other centres expressed their support, and so did senior hospital doctors, who called their own stopwork meeting for 7 June.

Ninety eight electricians at the Kinleith paper mill went on strike on 1 May over a pay claim. When the company suspended some production workers as work ran out for them, the remaining 1 000-strong paper workers walked out in protest and, as parts of the mill were closed, timber workers were also suspended. The electricians accepted a settlement on 8 May, but the paper workers did not resume until 12 May. At the Kawerau paper mill combined unions, apart from the paper workers who negotiate separately, staged 24-hour stoppages and imposed an overtime ban in protest against a breakdown in their pay talks. They sought a 12 percent increase over 9 months, and a rise in the production bonus from \$1.30 to \$1.70. The company offered a 13.5 percent increase but spread over a 13-month term.

The industrial mediator, Mr M Teen, submitted his findings on the freezing works tradesmen's dispute to the Minister of Labour. Mr Rodger proposed that a panel of 2 conciliators or mediators be given a month to determine the dispute, but while Mr Knox, who negotiated on behalf of the tradesmen, accepted this proposal, the Freezing Companies Association rejected it and said it considered the matter settled. The 2 000 tradesmen responded by voting 92 percent in favour of striking from 28 May. The employers then announced that they would not present stock from that day, which would force the closure of all plants and the suspension of some 25 000 freezing workers. The strike was averted when the acting Minister of Labour referred the dispute to the Arbitration Court for an urgent hearing.

The Freezing Companies Association also rejected a restructuring report by Australian consultants, which would have involved closing inefficient works. Alternatives, said the Association, were glossed over in the report, which should have looked at wage restraints as a key to increased productivity and should have sought agreement with the unions for a moratorium on wage movements. Negotiations between the Freezing Companies Association and the NZ Meat Workers Union for an agreement on the introduction of new technology ended in failure.

The Court of Appeal upheld a 1982 ruling by the Arbitration Court that the Salvation Army is not exempt from the provisions of the Rest Homes Employees Award. The Army had refused to collect union fees on behalf of the Canterbury Hotel Workers Union on the grounds that it was not an employer because the rest homes were not run for pecuniary gain, but the court held otherwise. The Auckland Hotel Workers Union took objection to statements by the Leader of the Opposition that landlords should have the right to evict gay tenants and that employers should be able to refuse jobs to gays. "This union does not have a policy on the Homosexual Law Reform Bill," said a spokesperson, "but we have a fairly high proportion of homosexuals in the hospitality industry."

The Marsden Point inquiry concluded on 29 May, after 59 full days of hearings since January, and Dr Finlay began work on the preparation of his report to the Minister of Labour. In their final submissions Marsden Refinery Constructors blamed the unions' attitude for the site's "dreadful history of strikes" and claimed as one of the great lessons to come out of the project that union officials and delegates did not inherently represent the workforce. Union lawyers on the other hand denounced the consortium's "unmitigated arrogance", and asked the inquiry to recommend the repeal of the Disputes Act, reinstatement and compensation for dismissed workers, and recognition of a workers' site committee.

Meanwhile, Marsden Point unions and the consortium announced a new expansion site agreement, which provides for basic wage increases of 10 percent and an increase in the construction allowance of 20 percent, over a period of 15 months from 1 March 1985. Special arrangements, with much higher pay, will apply to the 5-month shutdown programme, during which the refinery will be linked to the extensions, with work proceeding round the clock, 24 hours a day, 7 days a week.

The Minister of Police described as "not helpful" a threat of strike action by Auckland members of the Police Association to press a demand for the general issue of long batons. The editor of the *Police Association Newsletter* meanwhile accused the police administration of "narrow and outdated assumptions" about police work, which were responsible for discriminatory practices against women staff. Not only did women make up only a twentieth of the total staff, but very few of them achieved positions of rank: 2.6 percent of women, compared with 26 percent of men.

Workers employed by commercial flower growers negotiated their first ever industrial award under the Agricultural Workers Act.

A 2-month old dispute over sack rates for Bluff oystermen was settled on 2 May when the owners increased their original offer of a 10 percent increase. The oyster fleet set out on 6 May on its first official voyage since the season opened on 1 March.

The Auckland Paint and Varnish Workers Union, with 450 members, agreed to amalgamate with the Auckland Drug and Chemical Workers Union (1 350 members). A joint working party was set up to discuss details of the amalgamation. The NZ Storeworkers, Packers and Warehouse Employees Union decided at its Picton conference to seek amalgamation with the NZ Waterside Workers Federation. The executive of the Waterside Workers Federation also held discussions on closer links with representatives of the NZ Harbour Boards Employees Union.

## JUNE 1985

The union membership legislation, which had been split into 10 separate measures, was finally passed by Parliament on 13 June, despite strong National Party opposition. During the second reading debate, National members brought in a bronze sculpture by a Timaru farmer showing a noose around a bone which, they said, symbolised the return to compulsory unionism. The legislation, which came into force on 1 July, provides for a non-negotiable union membership clause to be included in all awards and agreements, requiring any adult person engaged by any employer bound by an award to become a union member within 14 days. Subsequent union ballots, to be held within 18 months, will then decide whether this clause should be retained, and further ballots are to be held every 3 years. There is also provision for exemption from membership on religious or conscientious grounds. The National Party promised to restore voluntary unionism once it became the Government.

The tripartite wage talks resumed on 12 June, on the eve of the budget. A Treasury briefing paper for the participants assumed an average 10 percent movement in the coming wage round, but in his budget speech the Minister of Finance proposed a flexible bargaining round, based on ability to pay, though restrained by tight control of the money supply.

Growth, he said, was unlikely to be spread evenly and higher wage payments should encourage workers to move into vital growth areas of the economy. The Prime Minister explained that flexibility would be introduced through house agreements and second-tier wage bargaining, but he warned that the Government would intervene if groups in key positions attempted to use their power to "hijack" the wage round. Both the FOL and the CSU voiced their opposition to the free market philosophy in wage fixing which, according to Mr K Douglas, would remove the safety net of national awards and would give the employers what they had asked from the previous Government, enterprise-based bargaining.

Official statistics released on 20 June showed that in the year to 31 March, real after-tax incomes of full-time wage and salary earners fell by 6.4 percent. This was equivalent to a cut in spending power of about \$20 a week for the average pay packet. All income groups lost in real terms, though the cut was least for the lowest income group, those earning below \$10 900 a year. When the tripartite conference met again on 25 June, the FOL repeated its request for an immediate general wage adjustment, but this was once more rejected by the Government.

The FOL saw such a general order as an interim measure pending the September wage round. Top business leaders also supported the idea of a general order, but without a subsequent wage round, which they wished to see postponed until the economic situation was more clear. There was a danger, said the chief executive of Fletcher Challenge, Sir Ron Trotter, that a free wage round would lead to massive increases which would be followed by inflation and unemployment. The unions insisted that the wage round must proceed, but the Employers Federation expressed unease at the prospects of flexible bargaining and its impact on smaller firms unable to resist union pressure. It also rejected an FOL-CSU suggestion that wages be indexed to inflation.

Inter-union conflict brought work on the Glenbrook steel mill extensions to a temporary halt, after a Carpenters Union delegate was allegedly assaulted on 4 June by a member of the Labourers Union. The Carpenters Union asked that the offender be dismissed, but the contracting company denied that it had jurisdiction because the incident had taken place off the site, and suggested that the victim seek justice by complaining to the police. The 400 carpenters then declared an indefinite strike on 11 June, which led to the suspension of some 100 labourers as work ran out for them. The Auckland Trades Council sought to mediate in the dispute and asked its former president, Sir Thomas Skinner, to prepare a report, but this was delayed through Sir Thomas's illness. The victim of the attack lodged a complaint with the police, and the contractor agreed to stand down the alleged assailant pending the outcome of the court case, which is to be heard in August. The carpenters then decided to resume work but when they held a protest march around the site on 19 June, other workers — mainly labourers, but also including a minority of carpenters — walked off, claiming that the march was a breach of safety regulations.

The company next suspended all 2 500 workers on the site until the unions had sorted out their dispute among themselves. A spokesman for some 100 carpenters who disagreed with their union's stand, called on the national secretary of the Carpenters Union to take over the affairs of the Auckland branch. The Auckland Trades Council put forward a peace plan under which both workers involved in the incident would be stood down on full pay pending the court inquiry, but this was rejected by the Carpenters Union. The Trades Council also instructed its lawyers to seek an injunction in the High Court to lift the suspensions, on the grounds that work was available for 80 percent of the workforce, and that the employers were deliberately exacerbating the dispute. The management lifted the suspensions before any court hearing and work resumed on 28 June, except for some 150 carpenters who remained on strike until the man responsible for the assault was dismissed from the site.

The Air New Zealand cabin crew dispute remained unresolved, but planned stopwork meetings on 21 June were called off by the union after an appeal by the Minister of Transport. Cabin crew held off-duty meetings instead to discuss the dispute.

The chairman of the Auckland Hospital Board called for substantial salary increases

for doctors, nurses and administrative staff to avert a crisis in public hospital services. The Resident Medical Officers Association hired 2 professional negotiators, Mr T Neary of the Electrical Workers Union, and Mr R Trott of the Airline Pilots Association, as advocates in their negotiations with the Health Department. Wellington junior doctors held a stopwork meeting on 7 June, and voted 112 to 1 to support their Auckland colleagues and take industrial action if required. After a series of negotiations with Health Department officials, the junior doctors called off the talks and sought an urgent meeting with the Minister of Health to break the deadlock. Senior doctors, represented by the Whole Time Public Hospitals Specialists Association, held an emergency meeting in Auckland on 7 June and threatened industrial action unless progress was made with their claims. At a subsequent meeting they decided to defer action until the Higher Salaries Commission had ruled on their claim for increases of about 50 percent on their basic salary.

Auckland nurses picketed the offices of the Hospital Board on 4 June, and a combined meeting of health workers on 9 June called for an urgent management audit of the Auckland Hospital Board and for an immediate injection of extra government funds to improve staff and patient conditions. The NZ Nurses Association lodged pay claims of between 16 and 40 percent, in addition to the annual general adjustment paid to all state servants. Medical laboratory technicians lodged a claim for a 35 percent pay increase and a package of safety measures to protect them against Aids, Hepatitis B, and other health hazards.

Hearings on the freezing works tradesmen's dispute opened in the Arbitration Court in Wellington on 5 June. The court reserved its decision.

Petrocorp suspended 38 shift engineers at its Kapuni ammonia-urea plant on 20 June in a dispute over union coverage. The company had made an agreement with the Institute of Marine and Power Engineers to cover its staff but the engineers, with one exception, had resigned from the Institute and wished to be represented by the Stationary Engine-Drivers Union. Petrocorp announced that it would seek an injunction under the Commerce Act, but work resumed at the plant on 28 June.

The *Dominion* newspaper failed to appear on 28 June, when journalists stopped work for 12 hours. They were protesting because only sports reporters and a photographer, and no general news reporter, were to be sent to South Africa to cover the rugby tour.

A meeting of 1 000 post office technicians in Auckland on 31 May decided on a nationwide ban on the installation of new telecommunications equipment, in a dispute over pay and staffing levels. Altogether 5 000 technicians were involved; they lifted the ban after 3 weeks, but negotiations on their claims continued. Higher wages in private employment had deprived the post office of many skilled staff, and the same problem affected the rest of the state services. Vacancies advertised in the *Public Service Official Circular* in the first half of the year rose from 3 758 in 1984 to 6 007 in 1985. State unions asked the Government to bring forward a review of salary margins so as to restore the state's ability to compete for staff. Meanwhile, groups of workers took various forms of action in protest against staff shortages and increased workloads.

Three women tally clerks in Wellington became the first women to be employed permanently on the waterfront of mainland New Zealand. Women watersiders had previously been employed on the Chatham Islands.

Herbert Roth