

# CHRONICLE

NOVEMBER 1989

The Minister of Labour, Helen Clark, released the government's plans for pay equity legislation on 8 November. Unions and groups of 20 women will be able to seek an assessment of their claim from a new Employment Equity Commissioner, and unions will be able to use this assessment to lodge a pay equity claim as part of their next award negotiations. If no agreement is reached in these talks, unions or employers will be able to refer the claim to the Arbitration Commission for final offer arbitration, with no right to strike while the claim is before the Commission. The proposed legislation also required private employers with at least 500 staff and all public sector employers to develop equal opportunity programmes, and this was to be extended in stages until it covered all private employers with 50 or more staff by 1993. The Opposition argued that legislated pay equity would put women's jobs at risk, while the Employers Federation objected to arbitration being reintroduced into wage bargaining.

The Employers Federation also issued a statement arguing that redundancy payments inhibited employment and expansion, and proposed to replace them with a taxpayer-funded retraining and re-employment allowance. The Minister of Commerce told a seminar on 13 November that he was keen to discuss the issue with employers and that he would view extremely seriously anything which prevented businesses being sold.

A private survey of managerial salaries in 524 organisations showed that the salaries of top executives had risen by 9.8 percent and of general staff by 7.4 percent in the year to 1 September 1989. Figures released by the Statistics Department showed that weekly wages paid to full-time adult workers rose by 3.3 percent in the year ended in September.

Pilots employed by Air New Zealand and its subsidiaries Mount Cook Airline and Safe Air gave 14 days' notice of 24-hour strikes on 1 and 4 December. The proposed action was in support of a group award covering the 3 companies, with all pilots placed on a common seniority list. The chief executive of Air New Zealand, Jim Scott, had described the pilots as "glorified bus drivers", the company had lodged a claim for \$2.75 million damages against the *New Zealand Listener*, the Airline Pilots Association and 3 of its officials over an article relating to the leasing of a Tower jet, and the company's flight operations manager, in a letter to pilots, referred to the possibility of the airline closing down altogether. In this heated atmosphere it took the intervention of the company's board chairman, Bob Matthew, to restore calm. After a 3 hour meeting on 28 November the pilots agreed to call off the strikes on the understanding that the dispute would go back to conciliation.

The northern biscuit and confectionery workers' award was settled at 4.5 percent, but the award for the rest of New Zealand remained in dispute over hours of work and industry allowance clauses. Workers at Griffin's Lower Hutt factory were locked out after striking in protest against the award breakdown.

The northern drug and chemical workers' award was settled with a 5.5 percent increase. Northern paint, varnish and ink manufacturers' workers also gained a 5.5 percent rise on basic pay, but with allowances which brought the overall increase to more than 6 percent. The New Zealand paint and varnish award provided a 5.5 percent rise and a new annual clothing allowance of \$200.



Dairy companies stepped up suspensions of workers for taking limited industrial action, forcing the spillage of millions of litres of milk. At issue was a union claim for an 8.25 percent increase of wages and allowances and an employers' offer of a 6.25 percent rise on wages but not on allowances. Te Rapa tanker drivers broke with the union and agreed to take milk for processing to the Northland Dairy Company's factory at Maungaturoto on 2 November, but they were met by a picket line which they refused to cross and this milk too had to be dumped. Altogether 20 dairy factories and packaging plants - including 4 in the South Island - were closed and more than 2000 workers suspended by 4 November, when the union agreed to lift the action and resume negotiations before an industrial mediator. Total milk spillage was estimated at 40 million litres worth about \$50 million.

In negotiations on 6 and 7 November the union lowered its claim to 6.9 percent, but the employers refused to budge and the talks collapsed. The employers, backed up by Federated Farmers, claimed that the dispute was not over more money but over control of the industry, while the union sought a greater share of the much improved profitability of the dairy industry. CTU president Ken Douglas, following an initiative by the employers, brought the parties together again on 13 November, and on the following day Douglas and the president of the Dairy Industry Employers Union signed a proposal for settlement which the Dairy Workers Union accepted. It provided for a 6.25 percent increase in wages and service payments and a 4.5 percent rise in all other allowances and special payments for dairy workers, engineers and electricians employed in the industry. The agreements for these 3 groups were to expire on the same day, 13 November 1990, to allow for joint negotiations on a common industry code of employment and conditions in next year's award round. The Dairy Workers Union described the deal as a very good settlement and praised the provision for multi-union bargaining. The engineers' national secretary Rex Jones had taken part in the negotiations, but the electrical workers, who are not affiliated to the CTU, had not and their national secretary John Fisher objected to an agreement struck behind his union's back and based on somebody else's dispute.

Some 300 security drivers employed by Armourguard and Securitas won a 4 percent basic pay rise plus an increase in the responsibility allowance, which brought the total average pay rise to about 5 percent. In negotiations on the carriers' award the employers raised their offer to 4 percent on wages and an increase in the industry allowance from \$33.80 to \$40 a week. The award was settled on 16 November with an overall increase of 5.3 percent, according to the employers (6.1 percent, according to the union), including a \$41 industry allowance from March 1990. The employers agreed to deduct \$7.40 a week for a union-run superannuation and insurance savings scheme if requested by drivers. Participation in the scheme was voluntary, but the union hailed it as a major breakthrough.

Negotiations on the general contractors' award broke down on 10 November, with the union claiming a 7.2 percent overall movement and the employers offering a total package of around 4.6 percent, including a 3 percent basic rise. Whangarei and Christchurch drivers called 48 hour protest strikes, Wellington drivers stayed off work in the week ending 17 November, while Auckland drivers' stopwork meetings decided to approach employers individually offering a guarantee of work if they agreed to the union's "just claims". The employers' advocate denounced this campaign as "gangster tactics", but on 29 November the award was settled with the employers agreeing to an overall increase of around 6 percent (6.3 percent, according to the union), including the extension of the labourers' \$1.21 an hour construction industry allowance to drivers from mid-June 1990. This allowance had been paid for several years by contractors in the Auckland area but not elsewhere. The contractors also agreed to make deductions on request for the union's retirement and insurance fund, while the union agreed to extend work hours during daylight saving to from 6 am to 6 pm.

Affco, which had bought 6 lower North Island freezing works from Waitaki International in September, announced its plans for restructuring on 8 November.



Longburn, which had been dormant for more than 2 years, was to be permanently closed, as was the Waingawa plant in Masterton with 744 workers. Projected staff cuts elsewhere were 500 at Waitara, 356 at Feilding, 200 at Wairoa and 140 at Imlay. In a formula negotiated with the CTU redundant workers, including about 900 Longburn workers, were to receive 12 percent of gross annual pay for the first year of service and 4 percent for each subsequent year. Ken Douglas praised Affco for negotiating with the unions before rather than after closures, but the president of the Waingawa shed, whose members had earlier achieved a better redundancy deal after a lengthy strike, complained that they had been sold out by their union and by the CTU.

In award talks for private hospital domestic staff the employers offered a 2.5 percent pay rise subject to reduced conditions for part-time staff, while the union claimed a 6.5 percent increase and improved holidays and other entitlements. Talks on the chartered and licensed clubs' award also collapsed, with employers offering a 5 percent increase and the union seeking 6 percent. In negotiations on the national resthome award private employers made no pay offer, but religious and welfare organisations offered to renew the award to next April with a 2 percent pay rise. The union accepted this proposal and agreed to set up a joint working party to look at a separate award for religious and welfare homes. The boardinghouse award was settled with a 4.5 percent pay rise.

Newspaper proprietors rejected a union proposal for a composite award covering journalists, printers and graphic process workers. Members of JAGPRO, the journalists' and graphic process workers' union, voted by a large majority in favour of industrial action, but the union withdrew this threat pending "meaningful discussions". Informal talks produced a tentative agreement on the setting up of joint working parties to study bargaining reforms.

In a judgment issued on 16 November the Labour Court ruled that a ban on Fletcher products and services imposed by the Labourers Union last year was a lawful strike in pursuit of an award claim. Fletcher Challenge, which had claimed \$10 million in damages from the union, decided to appeal against the decision. The building labourers' awards were settled with a 4.5 percent increase and the rollover of all existing conditions.

The restructuring of local government, which came into force on 1 November, caused considerable uncertainty and stress among staff. Stopwork meetings called by the Northern Local Government Officers Union opposed employer proposals for clawbacks in conditions, and 1200 Auckland City Council employees started a protest strike on 17 November, which closed council buildings, libraries, the art gallery and creches, and disrupted rubbish collections and the issue of warrants of fitness at vehicle testing stations. Local Body Labourers Union members refused to drive their trucks through NLGOU picket lines, and cleaners, cafeteria staff and members of the Performance and Entertainment Workers Union also respected picket lines. The union had asked for a 7.4 percent pay rise as against the City Council's 4.5 percent pay offer, but a major issue was the Council's refusal to grant the same gratuities, long service bonuses and other conditions to new staff as applied to existing staff before amalgamation, and its intention to exempt up to 300 senior posts from award coverage. Normal work resumed on 23 November, but when negotiations again broke down, Council staff voted on 27 November in favour of a further 9-day strike. They reversed this vote the following day, when the Council offered to take the dispute to mediation.

60 gold miners at Waihi's Martha mine won the biggest wage rise in the current award round, with a 4.75 percent increase to next March, followed by a further 7.25 percent rise for the next 12 months.

Christchurch commercial printers called a 48-hour strike in protest against the collapse of their award talks. The employers offered a 4.25 percent pay rise subject to variations in working hours, while the union claimed 6.45 percent and improvements in holidays and service steps. Wellington printers also stopped work and Auckland called stopwork meetings before the award was settled with a 4.75 percent pay increase and improved sick leave.



The packaging-printing award, the first national composite award for an entire industry, was settled on 22 November, after more than a year of detailed discussions by a joint working party. The award covers printers, engineers, store workers, clerical staff, cleaners and cafeteria staff, most of whom were previously subject to separate occupationally-based awards, but electrical workers refused to be part of the deal. The basic wage rose by 4.5 percent, but improved redundancy compensation, sick leave and length-of-service allowances lifted the total movement to 4.75 percent.

The PSA concluded agreements providing a 5 percent rise at the Government Computing Service, 4.5 percent at Electricorp Marketing, and 4.25 percent for Government Property Services staff. Government Print staff also gained a 4.25 percent rise, but additional lump sum payments brought the total increase to about 5 percent.

Agreement on the timber workers' award was reached on 17 November, with a 5 percent increase in wages and allowances over a 15-month term. Other awards settled during the month covered North Island chemical fertiliser workers (5 percent increase), Canterbury and Otago boilermakers (4.75 percent) and - all at 4.5 percent - watchmen and patrolmen, fish trades, heating and ventilating, electrical and electronics, Trusteebank staff, and shipping companies' clerical officers. Woolscourers gained a 4 percent increase. According to a Reserve Bank survey, of 34 awards settled by 1 December, half settled at exactly 4.5 percent and almost four-fifths at between 4 and 5 percent.

Negotiations continued for local port agreements for watersiders. In Auckland the union asked for \$920 for a 40-hour week on conventional wharves, while the employers offered a basic weekly wage of \$750. The idea behind port reform was not to give more money to fewer men, said an employers spokesman, but the union president replied that the union was claiming less than members had earned last year, but that the employers expected twice as much work from half as many men for half the money.

On 6 November Auckland negotiators agreed on permanent employment arrangements for the 450 men remaining at the ports of Auckland and Onehunga, but refused to disclose details. The only other ports where agreement was reached before the transitional arrangements expired on 7 November were Lyttelton and New Plymouth. In Whangarei the 24 watersiders stopped work on 7 November; they were reportedly claiming a deal allowing them to earn up to \$55,000 a year, while the companies had offered wage packages amounting to \$48,000. The local M.P. John Banks denounced the strike as "tantamount to treason" but agreement, terms not disclosed, was reached on 15 November and normal work resumed.

At Tauranga the 200 watersiders stopped work on 11 November. Ports were also at a standstill in Gisborne, Napier, Timaru and Bluff, while Wellington watersiders refused to handle cargo for the major local employer, New Zealand Stevedoring. Federated Farmers complained about the "ominous silence" surrounding local port negotiations, but the employers' national advocate explained that the rates of pay being negotiated were "pretty similar" to the rates that had always been paid to watersiders and that the employers' aim was not to reduce watersiders' incomes but to make them more productive.

Nelson watersiders were said to be seeking a package of almost \$52,000 a year, and a figure of \$70,000 was quoted from Tauranga. In fact, when a convoy of logging trucks brought some 500 laid-off timber workers to Tauranga on 30 November to complain about the continuing port strike, the president of the local wharf union told them that his members were happy with the employers' \$45,000 a year offer, but objected to giving up the Monday to Friday 5-day week and wanted weekend work to be voluntary.

Negotiations on a new harbour workers' award which opened in Wellington on 24 November, reached agreement on all national issues, but broke down over the employers' 4 percent pay offer. The Harbour Workers Union gave 14 days' notice of industrial action.



DECEMBER 1989

The committee of inquiry into industrial democracy released its report which recommended that awards and agreements registered after April 1990 include provisions for the establishment of site committees in all workplaces of 40 or more workers. It defined industrial democracy as "the meaningful participation of workers in decisions affecting their working lives". The employer member of the committee in a minority report opposed compulsion by legislation, preferring changes to be introduced by consensus and, if necessary, gradually. The Labour caucus industrial relations committee endorsed the report, while CTU secretary Ron Burgess said it heralded a new age of maturity in labour relations and should be acted upon urgently. The Employers Federation, on the other hand, denounced the committee's findings: "You cannot make people co-operate," said their director-general Steve Marshall. "They are less likely to co-operate if they are required to do so."

The Employers Federation also pursued its campaign for a change in redundancy provisions, and asked for a further inquiry into the effects of pay equity legislation. Helen Clark described the Employment Equity Bill introduced into Parliament on 9 December as the most significant piece of legislation for women this decade. Women, she said, earned only 81 percent of average male hourly earnings, but the new law would narrow this gap, with pay equity phased in over 3 to 5 years. She expected pay equity claims to be around 3 to 6 percent on top of normal annual wage claims, but to have minimal effect on the economy. The National Opposition vigorously opposed the bill's introduction, labelling it "pay fraud and not pay equity" and restrictive, bureaucratic and unachievable. Parliament referred the bill to its labour select committee for study.

Prime Minister Palmer, Mike Moore and Ken Douglas revealed the long-awaited compact proposals on 20 December. A tripartite Compact Council was to be set up, comprising 3 senior ministers (including the Ministers of Finance and Labour), and 3 representatives each from the national executive of the CTU and from "enterprise or appropriate business sector groups". Its task will be to set priorities, organise consultation and meaningful input into government policy and examine improvements to industrial relations. The Council was to operate by consensus and the government undertook to seriously consider its recommendations. Employers' immediate reaction was guarded, while unionist comment was divided. The CTU planned to circulate the document to affiliates for consideration at a special conference to be called early in 1990.

Among major union amalgamations consummated in December was the merger of the dairy factories' and woollen mill unions into the New Zealand Food and Textile Workers Union, and of the seamen's, cooks and stewards' and North Shore ferry employees' unions into a Seafarers Union.

Negotiations for the Air New Zealand, Mount Cook and Safe Air pilots' award were adjourned to February, after the pilots rejected an interim pay offer of 4 percent by Air New Zealand, with a 10 percent premium for flying the Boeing 747-400 jets. The cabin crew union gave notice of a 24-hour strike by ground stewards early in January, after award talks broke down over conditions for new employees. The Registrar of Unions approved the merger of the air traffic controllers' association, previously members of the PSA, with the Airline Pilots Association.

Griffin's biscuit workers, who had maintained a 24-hour picket at the Lower Hutt factory, decided on 8 December to return to work to allow talks to resume.

Award talks for childcare workers broke down on 24 November because the employers refused to consider the union claims until March, when details of increased government funding would be known. The Early Childhood Workers Union, which had claimed substantial pay rises to achieve parity with kindergarten teachers, called a 24-hour protest strike on 6 December, which closed around 150 centres throughout the country. Auckland, Wellington and Canterbury university childcare workers settled their award with a 10 percent increase.



The general clerical award covering some 30,000 workers was settled on 18 December, more than a year after it expired. The union gained a 4 percent increase on wages and allowances, but had to surrender the clause protecting part-time workers, and its secretary described the settlement as a major defeat. Workers whose employers had not voluntarily raised wages lost almost an entire year's pay increase, but the employers' spokesman claimed that the settlement proved that employers were "not out to smash awards but to make them reflect modern times." Totalisator Agency Board clerical staff, who had earlier taken industrial action, gained an 8.5 percent pay rise.

Auckland ready-mix concrete drivers struck on 5 December, after the breakdown of their award talks. They intended to stay out to the end of the week, but they voted to return to work on 7 December after accepting a 5.25 percent increase, plus employer deductions for the union's voluntary retirement and insurance scheme.

Scheduled award talks for maintenance electricians failed on 4 December, when only one employers' representative attended. The Employers Federation said its members were not interested in renewing the award, but the union decided to ask the Arbitration Commission to make an order settling the dispute. Power board electrical workers won a 5 percent pay rise over a 14-month term, and in separate negotiations Auckland Electric Power Board officers renewed their in-house agreement for 12 months with a 4.5 percent pay increase.

The 10,000 strong United Food and Chemical Workers Union decided to disaffiliate from the CTU.

Clerical staff at the Tauranga Hospital held a 24-hour strike on 1 December because the Area Health Board refused to negotiate clauses covering sexual harassment, health and safety, and equal employment opportunities for the largely female staff. When award talks for private hospital domestic staff broke down on 8 December, the Northern Hotel and Hospital Workers Union decided to call a round of paid stopwork meetings. The union claimed a 4.67 percent pay rise, while the employers offered 4 percent conditional on a reduction in the sick-leave allocation to part-timers, who comprise more than two-thirds of the workforce. Private hospital nurses, who had received an "insulting" 3 percent pay offer, also held stopwork meetings which voted in support of industrial action in February, after the expiry of their award on 31 January.

The employers succeeded in splitting the licensed hotel award, with a separate settlement for Hancock & Co. employees, who gained a 7.64 percent pay rise. Negotiations continued for 2 further awards, one confined to accommodation hotels, the other for the remaining employers in the industry. Staff in chartered and licensed clubs settled their award with a 5 percent increase for full-timers and 2 percent for part-timers.

Newspaper industry awards for journalists, printers and graphic process workers were settled on 13 December with a 3.3 percent increase over 7 months, equivalent to a 5.65 percent rise for a 12-month term. The 3 awards will expire on 30 June, when the unions expect to negotiate a composite award for the industry.

Negotiations with the contractor, Bechtel International, for a site agreement for the Kinleith paper mill reconstruction broke down on 5 December. Ray Bianchi, spokesman for the 13 construction unions, accused the company, which had proposed a 9-day 80-hour working fortnight, of "trying to turn traditional construction work methods and payment structures upside down". On 19 December, however, a settlement was reached which will allow up to 600 workers to start work on the \$240-million modernisation project. Bianchi described the agreement as "innovative", but the Electrical Workers Union decided to withhold its signature because, it claimed, the document contained an unsatisfactory procedure for dealing with demarcation problems.

When mediation in the Auckland City Council employees' dispute failed, the staff voted by an 83 percent majority on 21 December to strike again, from 16 to 23 January, unless a settlement was reached before then. The City Council, said the union, had failed to move on the 3 major issues in dispute; conditions, coverage and the size of the pay



increase. Local body labourers and drivers, in joint negotiations, gained a 4.5 percent pay increase to August 1990, followed by an additional 2.5 percent to March 1991.

Two hundred fifty Huntly miners stopped work when Coalcorp announced the dismissal, from 12 January, of 56 workers at the Huntly West mine. The union wanted job losses spread over all local mines, giving preference to workers who wanted to take voluntary redundancy and not forcing people to go who did not wish to leave. The men returned to work on 18 December, after Coalcorp agreed to refer the issue to a disputes committee.

Northern optical technicians gained a 4.5 percent increase, as did northern oil industry stores workers. The South Pacific tyre plant in Upper Hutt suspended 200 employees after a breakdown in negotiations over the plant's bonus scheme.

Shopkeepers welcomed the government's decision to allow restricted Sunday trading before Christmas and to repeal the Shop Trading Hours Act next year. The Distribution Workers Federation, which represents some 30,000 shop assistants, deplored the government's surrender to the pressure of "overzealous retailers", but it declared itself "much happier" after discussing details of the proposed legislation with government representatives.

The State Services Restructuring Bill, which reorganises the police force, State Services Commission and post-compulsory education, passed its final reading in Parliament on 9 December.

The stand-off continued at the port of Tauranga, with the Prime Minister labeling the watersiders' action as "sectoral selfishness" and "unforgivable". Many timber companies were forced to lay off staff, and the Dairy Board and other major shippers attempted to bypass the port. The Waterside Workers Union threatened to ban cargo diverted from Tauranga, but decided against such action. The employers rejected a union proposal to work the port under an interim agreement while both sides sought a solution, and insisted on a 5 over 7 roster, allowing stevedoring companies to roster staff over any 5 days in a week. At other ports local agreements provided for a Monday to Friday working week with voluntary overtime, but Tauranga employers claimed (this was denied by the chairman of the Stevedoring Employers Association) that "the old, bad practices" of lack of voluntary labour, double manning and excessive payments were creeping back. The Tauranga dispute was settled in Wellington talks on 12 December and work resumed at the port 2 days later, ending a month-long stoppage. The agreement provided for the introduction of flexible working hours on a trial basis over the next 9 months with, said the union, full protection for the 40-hour week principle. The only remaining port dispute was at Nelson, but there too agreement was reached on 20 December, ending a 6-week stalemate.

Harbour workers settled for a 5 percent pay rise nationally, leaving local conditions to be negotiated in separate port conciliation talks.

## JANUARY 1990

The Employers Federation criticised government part-funding of a new Maori services officer for the Council of Trade Unions. CTU secretary Burgess replied that the officer's role would be wider than that of an ordinary union official since he (or she) would try to encourage Maori workers to play a more significant part in the trade union movement and help unions to cater more for the needs of Maori workers.

Childcare workers called off a strike planned for late January, after the employers agreed to hold award talks within 2 or 3 weeks.

Auckland rubbish collectors, whose award talks had broken down in December, held a one-day strike on 18 January, after a stopwork meeting. The dispute centred on union demands for a redundancy clause and minimum crewing levels, because of concern over proposals to introduce household rubbish handcarts which can be emptied by side-loading



trucks using fewer staff. The men, who are members of the Northern Distribution Union, resumed their strike on 22 January. Further talks on 24 January broke down, but some collectors returned after separate union deals with individual contractors. General settlement was reached on 25 January.

The port of Whangarei came to a standstill on 10 January, when the Northern Port Corporation suspended harbour workers who had refused to load general cargo ships. The men had asked for a 17 percent pay rise, while the employers offered 11 percent. The Marsden Point oil refinery was forced to cut production, but the dispute was settled on 15 January. Details of the agreement were not made public.

The planned week-long strike by Auckland City Council staff was called off on 16 January, after union members approved a settlement giving them a 6.1 percent pay rise to 31 March 1991, equivalent to 4.7 percent over a 12-month term. Only 34 senior posts were to be removed from union coverage, but the union agreed "reluctantly" to exclude new staff from gratuity payments on retirement or resignation. Unresolved issues, such as management's desire to introduce a more performance-related employment structure, were referred to joint consultative committees for study. Staff of the new North Shore City held a one-day strike on 17 January over the breakdown of the post-amalgamation award talks, and so did staff of the Papakura District Council on 22 January. Employees of the Auckland Regional Council gave notice of a stopwork meeting on 2 February to discuss progress on a redundancy agreement, but they later postponed this meeting until after the end of the Commonwealth Games.

A long-standing dispute over employment conditions for rescue firemen at Wellington airport came to a head on 8 January, when the men held a one-day stoppage. The PSA warned the public not to fly to Wellington that day, but the airport was kept open with management staff of Austral Armourguard manning the crash tenders. The PSA announced further stoppages every Monday and Friday, but it also gave notice of an indefinite strike from 24 January in protest against the use of non-union crews. Further negotiations failed on 15 January, but the PSA withdrew its strike notices on 17 January and the dispute was settled before the end of the month.

The distribution workers' unions announced the setting up of a Second Sweating Commission, exactly 100 years after the first government-appointed Sweating Commission, which collected evidence and reported to Parliament on New Zealand working conditions. The new commission was chaired by Phillida Bunkle, of Victoria University, and among its 7 members were the cardinal-archbishop of Wellington, former Minister of Education Phil Amos and industrial relations lecturer Peter Brosnan. The commission planned to take evidence on conditions of retail workers in the main centres in early February, and its findings were to be submitted to the parliamentary select committee considering the government's shop trading bill. Employer representatives dismissed the commission as a publicity stunt and "an emotive attempt to constrict Sunday trading legislation". The government had already extended Sunday trading by gazette notice until Waitangi Day, but on 30 January the Minister of Labour announced a further extension to the end of April.

The Performance and Entertainment Workers Union started a campaign to unionise health and fitness workers who are not at present covered by an award.

## FEBRUARY 1990

Employers organisations decided not to be represented on the proposed Compact Council. Ken Douglas saw a future for the compact concept nevertheless, as a bipartite government-CTU structure.

The Employers Federation proposed dividing the accident compensation scheme into 2 categories, with employers paying for work-related injuries only, while the government paid for non-earners, non-work accidents to earners and cases of illness. They estimated



that this change would save employers hundreds of millions of dollars. The Minister of Social Welfare promised to carefully consider the employers' suggestions.

Employers' representatives also told a Wellington seminar on 16 February that they rejected the key recommendations of the committee's report on industrial relations. The Minister of Labour described the report as moderate but stopped short of endorsing its recommendations.

According to figures released by the Statistics Department, average weekly earnings rose by 6.1 percent in the year to mid-November last, compared with 9.3 percent in the previous year. The female pay increase was somewhat bigger than the men's, but the women's average weekly wage last November was still only \$426.51, or just under 78 percent of the male average of \$547.63. The total number of full-time jobs dropped 4.7 percent to 965,300 over the year, while part-time jobs increased by 9.3 percent to 312,000.

The bank officers' award was settled on 9 February with a 4.5 percent increase in salaries and allowances from 1 March 1990

Settlement of the national clerical workers' award was announced on 21 February, only 2 months after the 1988-89 award had been finalised. Clerical workers gained a 4.5 percent wage rise on top of the 4 percent agreed to in December, but the union conceded a variation in working hours which allowed a 4-day working week of 10 hours daily. A similar flexible hours clause was included in the new composite award for hotel and clerical staff employed by Hancock & Co., and the company's industrial relations manager reported that a significant number of workers had opted for the 4-day 40-hour week.

Maintenance electricians in freezing works went on strike on 19 February over lack of progress in settling their award, which had not been renewed for 2 years. The strike extended throughout New Zealand except Canterbury and Westland, where electrical workers are covered by the Engineers Union. It quickly forced the closure of the Waitara and Feilding plants, as electrical breakdowns went unrepaired. Normal work resumed on 26 February and renewed negotiations made some progress.

Three hundred seventy car assembly workers at the Toyota plant in Thames walked out on 19 February in pursuit of a 5.5 percent wage claim. The company had offered a 4.6 percent rise, and work resumed a week later with agreement on a 4.9 percent increase.

Private hospital nurses and domestic staff held 2-hour stoppages at selected hospitals from 1 February as a prelude to a general 24-hour strike on 7 February at the country's 130 private hospitals. This was the first time the 2 unions had joined in industrial action and the first time nurses had struck at private hospitals. The dispute was over the breakdown in their award talks. Both unions rejected the employers' 4 percent pay offer: the nurses asked for 6 percent and domestic staff for a 4.67 percent rise, which would give them parity with public hospital rates. There was also disagreement over staffing levels, fire safety, sick leave, and the definition of a charge nurse.

The one-day strike was well supported, though hospitals were able to remain open with the help of volunteers. The nurses were due to stop work again on 15 February, but they lifted their strike notice to allow negotiations to resume. The Nurses Union lowered its pay claim to 5.5 percent, if the employers agreed to refer the charge nurse issue to a joint working party, but the talks broke down on 9 February even before wage claims were considered. The nurses then decided at stopwork meetings to refer the dispute to the Arbitration Commission. Private hospital domestic staff meanwhile settled their award with a 4.5 percent pay rise and changes in sick leave provisions.

A Government Superannuation Fund Amendment Bill introduced on 9 December provided for tax changes which would reduce the value of pensions for future pensioners by around 20 percent (or more, according to union estimates) over a 20-year period beginning on 1 April 1990. There were no prior negotiations and the unions affected protested strongly at the unilateral reduction of their members' "remuneration package". Prison and police officers, who are compulsory members of the superannuation fund,



were considering their protest options, and the PSA gave notice of a work-to-rule starting on 12 March in Auckland prisons and on 13 March in prisons elsewhere. The Professional Firefighters Union, which was also affected by changes to its superannuation fund, gave notice of a 4-hour strike on 7 March and a 10-hour strike on 13 March, as well as a month-long ban on routine duties from 5 March. The firefighters also planned a 24-hour strike late in March followed by a 48 hour strike a week later.

The Second Sweating Commission heard submissions in the 4 main centres on retail workers' employment conditions. In its report released on 25 February it found that sweated labour still existed in New Zealand, a century after it had been highlighted by the earlier Sweating Commission. "What we learned has shocked and horrified us," said the Commission's chairwoman Phillida Bunkle, with pay and conditions for retail workers a "shameful indictment of industrial relations and industrial law in this country." The Commission urged the government to set up a committee of inquiry to investigate its findings, but the Employers Federation called on the government to ignore the report, blaming a minority of employers and workers who broke the rules. A spokesperson for the Minister of Labour, after explaining that the Minister had not read the Commission's report, questioned why a Commission had been considered necessary to investigate issues which "appear legally within the powers of unions to address." The Secretary of the Northern Distribution Union replied that there were issues which made it clear that the law was inadequate to deal with exploitation.

Herbert Roth

25 MAY 1990

25 MAY 1990