

# CHRONICLE

## NOVEMBER 1981

November was a month of campaigning for the general election. The Prime Minister claimed, at a meeting in Auckland on 7 November, that the Federation of Labour was falling into the hands of the extreme left ("You've got Ken Douglas down there, making the ammunition for poor old Jim Knox to fire") and challenged the Leader of the Opposition to clarify the future relationship between a Labour Government and the Federation. He also claimed that union leaders were delaying industrial action until after the elections in order not to embarrass the Labour Party. The Federation of Labour ban on trade with Chile – "union dictatorship over trade and investment", according to an editorial in the *New Zealand Herald* – also became an election issue.

The Minister of Labour revealed a significant shift in government thinking when he told the annual meeting of the Employers Federation on 10 November that because of the political risks involved he no longer favoured the amalgamation of unions. The "political colour" at the top level of the Federation of Labour made a reduction in the number of unions undesirable; on the contrary, the Minister said he wanted to examine amendments to the *Industrial Relations Act* to allow for the establishment of "plant unions" – one union in each factory.

Mr J.W. Rowe, the executive director of the Employers Federation, speaking at the same meeting, put part of the blame for unemployment on excessive wage demands, restrictive work practices and union opposition to flexible work patterns. He questioned the need for general wage orders of the Arbitration Court alongside free wage bargaining, and called for a modification of conciliation procedures to provide for automatic arbitration if parties could not reach agreement. Mr Rowe accused unions of repeatedly breaking the law, but the president of the Public Service Association replied by quoting figures from the annual report of the Labour Department to prove that employers were breaking the law on a massive scale.

Mr Rowe also asked for legislative action to put a ceiling on redundancy payments. This was provided in the National Party's industrial relations policy statement. The National Party also expressed support for "sensible worker participation", but did not believe that the terms of such participation should be imposed on the parties by legislation.

Union negotiations for a new clothing trades award succeeded in inserting a redundancy clause, but though the Rixen sit-in was given some credit for this, the clause did not affect the Rixen workers themselves. In an emotion-charged speech to the Clothing Workers Federation annual conference in Nelson on 11 November, the secretary of the Federation, Mr Frank Thorn, charged the Prime Minister with being unable to differentiate between sections of the trade union movement and thereby promoting the spread of communism. The traditional close relationship between workers and employers in the clothing industry had been destroyed, he claimed, allowing communist elements to infiltrate and influence the Rixen dispute. Mr Thorn forecast an early end to the sit-in but, although only 29 of the original 67 workers still remained, they decided in a secret ballot to continue the occupation.

Oil company drivers sought a 25 percent wage and allowances increase in their award negotiations, plus extra leave and allowances, but the employers stood firm on the question of working hours, refusing even to sign a commitment to investigate the union proposals.

The case would be taken up again next year, said a union spokesman: "Any employer who thinks the issue has gone away is living in Alice in Wonderland."

Meat Workers Union representatives met the minister of Labour on 10 November to ask for government assistance to the ailing Gear Meat works. They claimed that the Hawkes Bay Farmers Meat Co., which had recently acquired the Petone works, planned to close them. The Minister refused to intervene and the Gear Meat general manager on the following day denied that his company had already decided to close the plant, but insisted that profitable operation required union agreement to a 20 percent cut in the wage bill. On 16 November, a week before the opening of the killing season, the Gear Meat plant closed down, leaving about 800 workers jobless. The Prime Minister, the Minister of Labour and company officials blamed union intransigence for the closure, but a meeting of some 250 Gear Meat workers endorsed the action of their officials.

While the old Petone works closed, new ultra-modern meat-processing plants were opened at Takapau and at Oringi, near Dannevirke. The Meat Workers Union had asked that at least half the staff at Oringi should be chosen from members of the union, but Mr G. Lowe, the chairman of the Pacific Freezing Co. which owns the works, refused to have any dealings with the West Coast branch of the Meat Workers Union, which covers this region. He claimed that the Oringi workers wanted to form a separate branch of the union, and at the official opening of the works on 26 November a speaker described as the vice-president of the (non-existent) Oringi branch of the Meat Workers Union, criticised union militancy and pledged that the Oringi men would work five days a week for five days' pay without outside interference. "It was a shot in the arm to me to hear the attitudes you took on behalf of the workers of Oringi", replied Mr Muldoon.

In a major demarcation dispute between the clerical workers' and printing trades unions over the introduction of new technology in the newspaper industry, the Arbitration Court ruled that tele-ad operators, ad checkers and system controllers should be members of the printers' union. "The printing function", said the Court, "has overwhelmed the clerical function" in these particular operations.

When storemen at the freight depots of Alltrans stopped work over a pay dispute, two other major Auckland freight forwarders, Mogal and Freightways, threatened to suspend their staff unless the Alltrans men resumed work. Similarly, when storemen at Auckland wholesale wine and spirit merchants, who had also been on strike over a pay claim, decided to return selectively at all but two companies, the employers insisted on a general return and effectively locked-out their staff. Both disputes were settled in the last week of November. The employers apparently took advantage of the recent amendments to the *Industrial Relations Act*, by claiming the right to lock out workers on an industry-wide basis when only some firms were directly involved in a dispute.

## DECEMBER 1981

The general election resulted in the return of the National Government with a reduced majority. The Federation of Labour and the Combined State Unions announced after the election that they were prepared to reopen negotiations on the government's wage-tax trade-off proposals, but that they also wanted to consider wider issues, such as a minimum living wage and an adjustment of wages in line with rises in the cost of living.

The imposition of military rule in Poland and the suppression of the Solidarity trade union brought to light internal conflicts in the trade union movement. The engineers, electrical workers and clothing workers' unions sent telegrams to the Polish Embassy expressing their support for Solidarity and protesting at military actions, and the national secretary of the Meat Workers Union described the plight of the Polish workers as tragic. The Federation of Labour reacted with some delay and in a very cautious way, by merely expressing its hope that the extreme measures taken in Poland would quickly be

normalised, and voicing its support for strong democratic trade unions in all countries irrespective of their social system.

The backstage theatre workers' pay dispute, which had caused a strike in September, was settled. Negotiations on a new actors' award failed to reach agreement however, and the dispute was referred to the Arbitration Court.

The longstanding conflict between international and domestic pilots came to a head when international pilots resigned from the Air Line Pilots Association and formed their own union, the International Aircrew Officers Association. Some 97 percent of international pilots voted for the breakaway. They claimed that domestic pilots, who were in the majority, dominated the executive of the old union and ignored the views of their international colleagues.

The Arbitration Court gave its decision on the bank officers' claim for extra pay for new skills. The award only partly met the union's claim, but exceeded the employers' original offer. The Court also issued an award in the insurance workers' dispute, providing for a 12 percent increase backdated to 31 October. The union had claimed 14 percent, while the employers had offered 10 percent.

The Rixen sit-in ended on 4 December when Mr Knox handed the premises back to management. Twenty-seven women and two men had occupied the factory for 14 weeks. "They would now be looking for jobs," said their union delegate, "but there is nothing around here at all". "There is no money for redundancy," commented the managing director of Rixen Agencies. "We will not pay any redundancy at all."

Negotiations for a new stationary engine-drivers' award broke down when the employers rejected a union claim to upgrade pay relativities. The union then withdrew the dispute from conciliation and called a stopwork meeting in Auckland on 10 December, which decided to pursue the pay claims in job-by-job negotiations with individual firms. Ninety percent of Auckland members, it was reported, were already covered by such house agreements rather than by the national award. Altogether some 50 agreements would have to be negotiated with companies in the brewing, freezing, sugar, timber, food processing and heavy engineering industries to cover about 200 Auckland members.

In the car assembly industry too, separate house agreements covered workers in major companies since 1966. When these agreements expired at the end of the year, the employers wanted to replace them with two collective agreements for Auckland and Wellington. The Toyota plant at Thames paid the highest rates, and the unions claimed a catch-up with Toyota rates, but they wished to retain their separate agreements. Toyota workers adopted a policy of "non-co-operation", and workers at the six South Auckland plants decided on 14 December to impose work restrictions in protest against the employers' refusal to renegotiate separate agreements. The employers threatened a general lockout, but this was averted through the intervention of the industrial mediator, Mr T.E. Skinner. The unions lifted their bans and talks resumed on 18 December. The two sides agreed that wages in the industry would be negotiated on a combined basis, but that conditions would remain subject to separate house agreements. However, a working committee would be set up to rationalise conditions throughout the industry. Wage talks were to resume early in the new year.

A breakdown in negotiations on the Northern motion picture projectionists' award led to a stopwork meeting and an immediate strike which closed central Auckland picture theatres on 17 December, at the start of the school holidays. Only 24 projectionists were involved, but some 200 front-of-house staff (cashiers, ushers, cleaners) were suspended by the employers. The strike was settled three days later on the basis of a 10 percent wage rise and a 37½ hour working week.

Nurses at the Lake Alice psychiatric hospital held a stopwork meeting on 3 December and voted to take industrial action, after the State Services Commission had rejected their claim for increased security allowances for dealing with dangerous patients. Psychiatric nurses at other hospitals held stopwork meetings on 23 and 24 December to discuss

inadequate staffing levels. Lake Alice staff placed restrictions on maximum security areas, while Tokanui nurses voted to ban admissions of voluntary and non-urgent cases. Oakley nurses decided to start action in January.

The industrial mediator, Mr M. Teen, released his decision on the six-year old dispute at the New Plymouth power station over extra leave and allowances for handling natural gas. Ninety members of the staff were to receive an additional one week's paid leave and one week's unpaid leave, and the remaining staff an additional three days' paid leave and five days' unpaid leave. Both groups were to receive a special allowance of \$1.45 per shift. Mr Teen criticised the action of the State Services Commission in cancelling extra leave and allowances in February 1981 in response to pressure from private-sector interests. The Employers Federation expressed concern that the decision would lead to similar claims for stress allowances and extra leave at major energy construction projects, such as the Marsden Point extensions and the Mobil synthetic petrol plant in Taranaki.

## JANUARY 1982

The president of Federated Farmers, Mr R. Storey, accused the Federation of Labour of "selective morality" for continuing its trade ban on Chile but not imposing a similar ban on Poland. This point was seemingly taken up by local affiliates of the International Transport Workers Federation – watersiders, seamen, cooks and stewards, and the Merchant Service Guild – whose representatives met the Prime Minister on 8 January to discuss such a ban. They also asked that New Zealand aid to Poland be linked to the release of arrested unionists and the restoration of human rights.

Mr K. Douglas announced that he would lead a delegation of four unionists to a conference of the World Federation of Trade Unions (WFTU) in Cuba in mid-February and that he expected to meet Polish unionists there and to obtain information about events in Poland. Mr A.J. Neary, of the Electrical Workers Union, and the Prime Minister denounced the proposed visit as contrary to the Federation of Labour's affiliation to the International Confederation of Free Trade Unions. "The ICFTU is the genuine one," said Mr Muldoon. "The one our people support is the ICFTU." The secretary of the Allied Liquor Trade Employees Union pointed out in reply that the Federation of Labour conference in 1975 had approved a remit from his union asking for closer contacts between the WFTU and the ICFTU, and Mr Knox defended Mr Douglas's right to attend the WFTU meeting as in line with Federation policy.

Mr Knox also revealed that he had written to the Prime Minister on 24 December, calling on him to ask the Polish government to release all arrested unionists, and to send food and medical supplies to Poland, but that he had received no positive reply. In a statement on 28 January the Federation of Labour condemned military rule in Poland and the use of force against unions, and asked the Polish government to restore civilian administration forthwith. It also asked the ICFTU to send a delegation to Poland. Mr Knox, as an ICFTU executive member, offered to be part of such a delegation.

Government, employer and union representatives met on 27 January to resume the wage-tax trade-off talks broken-off in June last. They decided that a working party should investigate details of the proposal and associated issues.

The resignation of 150 (out of 209) international pilots from the Air Line Pilots Association became effective on 4 January, but the Association refused to accept the resignations because Air New Zealand would be breaching the award if it employed pilots who were not members of the union. The Association offered a series of concessions in an effort to heal the breach.

The Stationary Engine-Drivers Union launched its plant-by-plant campaign for better relativity pay by approaching the margarine processing firm of Abels Ltd. When these talks broke down, three boiler attendants and one greaser stopped work on 18 January, which forced the entire plant to shut down. On the following day, four boiler operators ceased

work at the timber firm of Henderson & Pollard. The third firm approached, the N.Z. Sugar Co., did not reject the union claim outright but asked for time to consider it. Auckland employers of boiler attendants met on 22 January to discuss a joint approach and offered to resume talks if the men on strike returned to work. A stopwork meeting of union members on 27 January agreed to this proposal and talks resumed two days later.

Ten Auckland engineering labourers picketed the plant of Gardner Mair Ltd in an attempt to press claims for redundancy payments from another firm. The men's employer, Chester Snow Engineering Ltd, had gone into voluntary liquidation at the end of 1981, and had refused to negotiate any redundancy agreement. Gardner Mair had contracted to build five holding tanks for Chester Snow, but the "secondary picketing" prevented completion of the last tank. The managing director of Gardner Mair said there was nothing his company could do to satisfy the men's demand and that their proper course was to approach the receiver for Chester Snow.

Members of the Auckland branch of the Meat Workers Union employed in the processing of offal and waste meat went on strike in Auckland and Tuakau in support of a claim for a special industry allowance of 30 cents an hour. The employers made a counter offer of 9½ cents, which was accepted at some works but not in Auckland. Workers at the Oringi meat works decided in a secret ballot on 22 January to ask the West Coast branch of the Meat Workers Union to negotiate a new agreement on their behalf. In response to this invitation two branch officials, Mr R. Middlemass (president) and Mr R. Potroz (vice-president and organiser), came to Oringi on 27 January, but were confronted by a newly-erected no trespassing notice and were refused access. They climbed over the security fence but were unable to meet the staff who were locked in a room during a meeting with management, and could only communicate with the officials by shouting through windows. Meanwhile police arrived and arrested the two men; they appeared in court in Dannevirke on charges of trespass and were remanded on bail to a hearing in February. A meeting of Oringi workers, after being addressed by management for 2½ hours, rescinded the previous resolution by 182 votes to 10 on a show of hands.

Mr G. Lowe, the chairman of the Pacific Freezing Co., offered to withdraw the trespassing charges if the union agreed to keep officials of the West Coast branch away from Oringi, but this was not acceptable. As "a little jolt of action", the Meat Workers Union imposed export load-out bans in two other works associated with the Pacific Freezing Co., at Hastings and Hawera. Mr Lowe claimed to have received a promise from the Prime Minister that the Oringi workers could form their own union and that the government would legislate along these lines. "The unions have got to learn they cannot run companies," he said. "It is time companies took a stand and said they run the business, and not the unions."

Deck and engineer officers on the Cook Strait rail ferries gave 14 days' notice of industrial action to press a claim for out-of-Wellington travel expenses in line with those provided for seamen and cooks and stewards. The action threatened to disrupt ferry services from 1 February, the start of the new school year, but under new powers conferred by the *Industrial Relations Act* the Minister of Labour referred the dispute to an industrial mediator.

Lake Alice psychiatric nurses continued their overtime ban and other restrictions, and they were joined by Oakley nurses on 5 January. The Lake Alice ban meant that maximum-security ward patients had to be put to bed five hours earlier than usual, and the patients twice staged a sit-in in protest. On 6 January the nurses decided to resume normal work and to refer their claim for a higher security allowance to a mediator, but another dispute concerning staffing levels supervened, and nurses in psychiatric hospitals throughout the country imposed various work restrictions in an effort to obtain approval for more staff.

Meat inspectors feared the loss of 20 to 30 posts because changes in the *Meat Act* allowed private companies to carry out some meat grading previously done by govern-

ment employees. In a secret ballot before Christmas, they decided to take industrial action if the issue was not resolved; following an inconclusive meeting in Wellington some 1500 meat inspectors walked off their jobs for 24 hours on 28 January, thereby closing all freezing works and abattoirs in the country.

Probation officers at the Henderson District Court imposed a ban on report writing in protest against alleged discrimination against women in the filling of permanent positions. A Justice Department spokesman denied discrimination but said, "We have to bear in mind that the clientele in Henderson are about 80-20 male to female." The Department agreed to review the appointment of the woman concerned, but then probation officers at Otahuhu lodged a complaint that, there too, a woman applicant had been unfairly denied permanent appointment. In a similar dispute, the Auckland Tramways Union threatened to call a stopwork meeting on 28 January, because a woman cleaner had been passed over when she applied for a night shift job. It called-off the meeting when the Regional Authority offered to give additional training to the woman concerned.

## FEBRUARY 1982

The Polish Association organised demonstrations in support of the Solidarity union in Auckland and Wellington. Trade unionists, Labour Party and Government representatives took part, the National Party called for the restoration of trade union rights in Poland and, at the end of the Wellington demonstration, Mr Neary pinned a Solidarity badge on Mr Muldoon's lapel.

Following a comment by the Labour M.P. Mr R. Maxwell that the Labour Party's links with the trade unions were losing more votes than they were gaining, the Leader of the Opposition told a regional conference of the Labour Party in Timaru on 20 February that the old system of trade union affiliation to the party might have outlived its usefulness. Only 15 percent of unions were affiliated and they contributed only 8 percent of the party's income. The party president, Mr J.P. Anderton, replied that "rather than attempt to sever the link, it should be extended and broadened", and politicians and union leaders lined up on both sides of the argument. Mr Neary, Mr Thorn and Sir Tom Skinner were among those who supported Mr Rowling, while Mr Knox described the Opposition leader as a three-time loser and claimed that 85 percent of Labour Party members would support continuation of a close relationship with the trade union movement. Mr Knox also criticised Mr Rowling for taking the shadow industrial relations portfolio away from Mr Isbey and giving it to Mr F. Gerbic, without prior consultation with the Federation of Labour. Mr Isbey accused Mr Rowling of "union-bashing" and warned against turning the Labour Party into a second National Party.

A meeting of Auckland employers of boiler operators on 2 February rejected the Stationary Engine-Driver Union's latest proposals. The union then resumed its job-by-job campaign by approaching the N.Z. Sugar Co. When these talks deadlocked, the union imposed a work to rule and overtime ban at the Chelsea sugar plant, which reduced production by almost half. Normal work resumed a week later, and a union stopwork meeting on 19 February was told that the Sugar Co. had made an offer to recognise payments for qualifications held by boilermen. The other Auckland firms would be asked to accept the same agreement.

The dispute over redundancy payments at the Snow Chester Engineering Co. continued and another similar dispute arose in Hamilton, when N.Z. Aerospace Industries Ltd went into receivership. The unions affected (engineers and clerical workers) sought guarantees of full redundancy payments. When this was refused, they imposed a ban on the completion of seven aircraft ordered by the Royal Australian Air Force, but lifted it when talks were arranged, in anticipation of a satisfactory outcome.

The liquidator of an Auckland company which had collapsed a year earlier, Street Construction Ltd, reported that the return to share-holders would be "meagre at best" because more than \$300,000 had been paid out in redundancy. Redundancy claims, he

said, ranked along with unsecured creditors, but the unions had insisted on prior payment in consideration of their agreement to withhold industrial action. Although this move had no precedent, it was agreed to "in the interests of enabling the liquidation to proceed in an orderly manner".

Toyota assembly workers at Thames reached agreement on a 10 percent wage rise back-dated to 1 December. At the other car assembly plants talks, were proceeding on a union claim for 10 percent, plus a 24 cents an hour margin to catch up with Toyota rates.

Meat processing workers on strike at Auckland By-Products Ltd picketed the Pikes Point tip at Onehunga to prevent waste meat being dumped there. They resumed work on 18 February as a goodwill gesture to allow conciliation talks to proceed, and a five-hour meeting on the following day reached agreement on a 12.75 percent wage rise for all offal workers in the Auckland region.

The Pacific Freezing Co. concended the right of Oringi workers to join the West Coast branch of the Meat Workers Union and the right of branch officials to visit Oringi. In return the union lifted the load-out bans it had imposed at two associated plants. Mr Lowe, the company's chairman, claimed that Oringi workers walked out when the national secretary of the Meat Workers Union attempted to address them, but union officials established their presence at Oringi and by the end of the month, they claimed that a majority of workers there had joined the West Coast branch. According to the union, Oringi workers were paid well below the rates at other works in the region, but Mr Lowe countered that after the initial commissioning period, Oringi rates would catch up as the new men improved their skills.

Talks over redundancy payments to former Gear Meat workers broke down in January. The union claimed four weeks' average pay plus 1½ weeks' pay for each year of service, while the Hawkes Bay Farmers Meat Co. offered one week's pay for every year of service up to a maximum of 20 years. The company claimed that its scale was based on that accepted in November 1980, when the Southdown works closed down in Auckland, but the Meat Workers Union replied that it had not been a party to that settlement. In view of the threat of further closures of freezing works, the union was anxious to set a much improved level of redundancy payments.

To put pressure on the employers, the union called a strike, first on 17 February at the Takapau and Whakatu works of the Hawkes Bay Farmers Meat Co., and then at the other works in its area. The Auckland-Tomoana Freezing Workers Union, which is not part of the Meat Workers Union, decided to wait until the strike was general in the southern works. In 1980, a ballot of members of the southern union had rejected Auckland's call for support at the time of the Southdown closure. By 19 February the strike was general, with even Oringi deciding to stop for 24 hours. On 24 February, the Minister of Labour, using his new powers under the *Industrial Relations Act*, referred the dispute to an industrial mediator, Mr T.E. Skinner. Auckland-Tomoana meat workers voted to join the strike on 4 and 5 March; they also asked the Meat Workers Union to confine the strike to the Takapau and Whakatu works and pledged moral and financial support.

Wellington rubbish collectors went on strike when the City Council decided to use private contractors. They picketed the New Town Hall construction site, but finally accepted the loss of eight jobs and cuts in overtime and allowances.

The mediator in the Cook Strait ferries dispute over travelling allowances failed to solve the dispute and the Minister of Labour used his new powers to refer it to the Arbitration Court for compulsory settlement.

The Society of Physiotherapists imposed a ban on training students in hospitals unless its members were paid for this. The claim had been lodged four years earlier and notice of industrial action had been given in November 1981. The Society lifted the ban after three weeks, on the understanding that the Health and Education Departments would carry out a review of physiotherapy training before 1 April. Nurses at psychiatric hospitals suspended their six-weeks long industrial action over staffing levels to allow talks to go ahead between the Public Service Association and the Hospital Boards.