

CHRONICLE

JULY 1983

The Auckland Trades Council decided on 1 July to change the emphasis of the FOL campaign and to highlight the right of unions to renegotiate their awards, rather than the \$20 claim. Kawerau paper workers stopped for a day in support of the campaign, as did Auckland woollen mill workers and Petone soap workers, among many others. Auckland hotel workers voted to stop for 24 hours on 8 July, although their executive had recommended a 3-hour stoppage only. Wellington hotel workers held a similar strike on 15 July. Auckland hotels which defied the stoppage by keeping open with non-union labour had their liquor supplies cut off by brewery workers.

On 7 July, it was announced that the Government caucus had agreed in principle to a proposal by Mr Bolger to outlaw the unqualified preference clause, and had authorised him to prepare draft legislation on voluntary unionism and on the compulsory inclusion of youth rates in awards. The caucus also discussed proposals to reduce redundancy payments by excluding workers with less than 2 years' service. Official employers' spokesmen reacted cautiously, saying that the move was unexpected and that any Government proposals would have to be looked at in the context of the wider issues of wage reform and industrial relations. FOL Secretary Douglas described the proposals as an attempt to weaken the trade union movement, whose members had voted overwhelmingly in favour of retaining the unqualified preference clause. The Prime Minister claimed that the union movement's recent actions against the wage freeze had helped to produce the demand for voluntary membership, but he agreed that one result would be closed shops: "People will have to join the union if they want to work in these places", he said.

The Insurance Workers Union on 8 July called on the FOL to abandon the \$20 campaign and to concentrate instead on discussions with the Government and employers. Insurance workers had voted in support of the freeze and in favour of continued compulsory union membership. The FOL National Executive had already decided on 5 July to ask unions to cease industrial action in support of the \$20 claim by the end of the month, so as to allow the tripartite wage-fixing talks to proceed in the best possible environment. The FOL claimed that the campaign had succeeded in softening the Employers Federation wage bargaining stance, but employers and the Minister of Labour described the FOL campaign as futile and a farce.

Speaking to the Wellington Chamber of Commerce on 13 July, Mr Bolger put forward the idea of binding contracts between employers and their workers (or their union, if they belonged to one), which would be policed by a statutory body like the Labour Department. If workers broke the contract by striking without prior secret ballot, employers would be entitled to claim damages. This idea, he said, could be incorporated in the draft bill to abolish compulsory unionism. The Chambers of Commerce annual meeting voted in favour of secret ballots before strikes, civil damages being available for unlawful union-created losses, active enforcement of industrial legislation, and ratification of ILO Convention 87 which restricts Government intervention in union affairs.

Mr Knox returned to New Zealand after 10 weeks overseas, which had taken him to the ILO conference at Geneva, to the 4 yearly ICFTU congress in Oslo, and to the Soviet Union. He had lodged complaints about Government attacks against the trade union movement with the ILO Freedom of Association Committee, he said, and the ICFTU was planning to send a commission of inquiry to New Zealand in October. He claimed that overseas trade unionists would take action against New Zealand agricultural exports if the FOL called for such support.

Auckland trade unions approached employers to ask for their agreement to resume wage negotiations after the expiry of the freeze, and to introduce a closed shop if the Government went ahead with voluntary union membership. According to the local Employers Association, many employers had been approached but none had given any undertakings.

On 31 July, Mr Bolger told the National Party annual conference in Dunedin that the traditional system of paying extra money for unusual hours of work and for overtime should be re-examined. The conference approved overwhelmingly a remit calling for the abolition of the unqualified preference clause. The party, said a dominion councillor, had waited for years for the Government to stand up to the unions and if the legislation was not passed the Government would lose credibility.

The FOL urged the public to watch a television documentary on 12 July on the dangers of asbestos, and the Engineering Union placed advertisements asking workers to seek further information from the newly established Auckland Trade Union Health and Safety Centre. The Engineering Union and the building products firms James Hardie Ltd agreed on a joint approach to the Government to investigate the asbestos health issue. Fitters at James Hardie lifted their ban on working machinery which used asbestos, but the Northern Labourers Union imposed a ban on cutting asbestos pipe, pending further tests by the Health Department. An Auckland radiologist disputed the findings of the American experts, but the Asbestos Workers Union decided to send further X-rays to New York for analysis.

Members of the Portland Cement Workers Union near Whangarei went on strike on 1 July over safety and pay issues. They returned on 12 July, after agreement had been reached on most of the safety issues, but talks were continuing on the claim for shift changeover payments.

Three oil companies filed charges in Auckland and Wellington against workers who had struck in June in support of the FOL's \$20 campaign, on the grounds that being involved in an essential industry they had not given the required 14 days' notice of industrial action. The Secretary of the Wellington Drivers Union was also charged with inciting a breach of the *Industrial Relations Act*. Wellington drivers went on strike on 29 July, when the prosecutions were heard in the Lower Hutt District Court. The cases were adjourned.

The strike by 33 Engineering Union members employed by Chicago Bridge & Iron at the Marsden Point refinery extensions continued. At issue was the dismissal of a union delegate on 10 May, allegedly for his poor work performance but, according to the union, because he had discussed a job problem with a union organiser. The man had worked for the company for 3 years without trouble, until he became a union delegate. Other employees – boilermakers, drivers and labourers – were suspended because of the dispute. On 13 July the Arbitration Court considered the 2 month old strike, but refused an application by the company to order a return to work and asked both parties to discuss the duties and privileges of union delegates. Further talks failed when the union demanded the reinstatement of the delegate as a pre-condition for a resumption of work. The company said it would appeal against the Court's ruling and that it had no intention of taking the delegate back. The Minister of Labour refused a request by the company to call a compulsory conference.

Marsden Point refinery extension unions decided to seek more than \$2 million in wages lost during the 11 days' safety dispute in June. The claim was to be decided by the Arbitration Court under section 158 of the *Industrial Relations Act*, which deals with the recovery of wages.

At the Glenbrook steel mill expansion site, labourers, riggers and clerical workers struck on 11 July because the New Zealand Steel Development Company would not agree to the formation of a combined site committee by the 12 unions involved. They resumed work 2 days later, but while talks on the issue continued, the collapse of a mobile crane on 22 July, which injured 4 workers, raised the question of safety at the site. When the company docked 2 hours' pay of 13 union delegates who met to discuss safety procedures,

the entire workforce walked out for 2 hours on 25 July. The company then agreed to the formation of a site safety committee representing unions, the company and the Labour Department, but its refusal to recognise the combined site committee led to another walk-out on 27 July. Similar site committees operate at the Huntly power station project and at the Marsden Point refinery extensions, but at Glenbrook the company argued that the collective agreement signed by the 12 unions laid down rules through which all problems could be solved. The workers decided to return on 1 August.

Negotiations for a site agreement on the Clyde dam project remained deadlocked, because the contractors would not agree to pay the rates established on the big North Island construction projects.

A Coal Mines Amendment Bill introduced on 29 July renounced ILO Convention 45 governing the employment of women underground, and thus gives New Zealand women the right to work in underground coal mines.

Dr P. Tapsell, MP, presented to Parliament a petition signed by 1188 kiwifruit industry workers asking for continued coverage by the New Zealand Workers Union.

The Merchant Service Guild demanded the employment of New Zealand captains on 2 supply vessels required for oil exploration in the Great South Basin by Hunt International Petroleum. The company insisted that the vessels be mastered by American captains, but a compromise was reached by which each ship will in effect have 2 captains: only the American masters will be called captains, but the New Zealand masters will be paid at the same rate, though holding a different title.

The 4 maritime unions decided on 4 July to campaign jointly against foreign cross-trading vessels. Pickets continued against ships at Port Chalmers, Wellington and Auckland, and the unions also picketed the Wellington head offices of the Meat and Wool Boards. The Auckland Harbour Board sought an interim injunction against the Seamens and Cooks and Stewards Unions; the unions agreed out of court to withdraw the pickets against the Belgian ship *Ambrosia*, but they left open the question of further action. The West German Columbus Line filed a suit for damages amounting to \$588 000 arising out of picketing against the 2 unions and against the President of the Seamens Union. It also sought an injunction to ban further picketing. The Shipping Corporation asked the 4 maritime unions to agree to crew reductions of 68 men, including 6 officers and 10 engineers, but the Seamens Union refused to attend the proposed talks on 18 July, because the employers had made their letter public.

Waterside employers proposed to reduce manning levels at ports throughout New Zealand by up to 300 men. A letter to this effect sent to waterside union branches caused a 4-day port strike in Wellington, because the union claimed that the employers had bypassed established conciliation procedures.

The Kindergarten Teachers Association, which had urged progress on its claim for improved staffing, was told by the Minister of Education on 21 July that he would not tolerate "the use of tactics which might have a place on the shop floor but not in the kindergartens of New Zealand". That same week, when the Teacher Trainees Association organised a national walkout from classrooms and lectures for 3 August in protest against their bursaries, the Minister threatened to withhold the Association's administrative grant of \$1 000 because, he said, taxpayers' money should not be given to a body prepared to carry out shop-floor tactics.

AUGUST 1983

The Prime Minister told the National Party conference in Dunedin that legislation to allow voluntary unionism, secret ballots and youth rates would be introduced by the beginning of September and would be passed this year. When a Labour member pointed out in Parliament on 10 August that the average gross female weekly wage was \$229, compared with \$302 for men, the National Party MP for Whangarei, Mr J. Banks, interjected: "Fair enough". The FOL called on affiliated unions to hold stopwork meetings

to discuss "Government-employer attacks". It had already invited the ICFTU to send a commission of inquiry to New Zealand, and it now decided to submit a case also to the Freedom of Association Committee of the ILO, inviting it to investigate trade union rights in this country. The FOL also sought details of the proposed legislation from the Government and asked when New Zealand planned to ratify the ILO Freedom of Association Convention 87.

A special meeting of the Employers Federation on 8 August approved the principle of freedom of association as outlined in ILO Convention 87, which it regarded as incompatible with the unqualified preference clause. In the view of the FOL however, compulsory unionism, voted on democratically by union members, was not contrary to the Convention. What was contrary was the right of cabinet ministers to deregister unions or to remove workers from union coverage, restrictions on the right to strike, and provisions of the *Fishing Industry Union Coverage Act 1979*. A Labour MP, Mr D. Butcher, told the Clerical Workers Union conference on 15 August that voluntary unionism could lead to organised crime gaining a foothold in trade unions similar to the mafia in the USA, but Mr Bolger stressed that closed shops would be illegal under the proposed legislation.

The Auckland Trades Council decided to launch a campaign against voluntary unionism, which it described as the most important issue in the trade union movement's history, while the director of the Auckland Employers Association, Mr D.E. Stewart, expressed fears that voluntary unionism would strengthen militant unions and weaken the moderate unions, thus upsetting the balance of forces within the union movement. The Employers Federation asked for protection against closed shops and other "strongarm" union tactics, and its Executive Director called for changes in industrial relations such as youth rates of pay, an end to the use of strikes as a means of softening up individual employers, and new wage-fixing methods.

A parent's complaint to the Auckland Trades Council revealed that children as young as 12 and 14 were working, at night, packing ice cubes without adult supervision. Other complaints related to children employed by rag dealers on low rates paid irregularly. The Council decided to launch an inquiry into child labour and to seek a code of practice covering this work. Similar codes are already in operation for children delivering milk and newspapers, and on 25 August the Council signed a code covering children employed by rag dealers with 3 local firms.

The FOL nominated one of its executive members, Mr E.W.J. Ball, National Secretary of the Engineering Union, as workers' representative on the Arbitration Court in succession to another engineer, Mr J.A. Boomer, who had decided to retire. For the position of deputy representative, which had also become vacant with the retirement of Sir Leonard Hadley, the FOL nominated Ms Judith Reid, secretary of the Auckland Shop Assistants Union.

Wellington port unions went on strike in protest against the visit of the *USS Texas*. In Auckland, the watersiders voted against a stoppage, but the Trades Council supported protest rallies on 5 and 6 August.

Negotiations broke down between Air New Zealand and the Airline Stewards and Hostesses Union over the airline's plans to increase the number of Pacific class passenger seats from 16 to 36, without any increase in staff. Air New Zealand cabin staff voted on 15 August to provide only economy class service to these passengers.

Some 200 owner-operator couriers on contract to New Zealand Couriers Ltd, formed a national organisation to negotiate contract terms and appointed Mr R. Campbell, of the Distribution Unions, as their chief negotiator. When the employers refused a request for a minimum monthly guarantee of \$3 000, Auckland stores workers on 17 August imposed a load-out ban on packages in support of the couriers. They lifted the ban on the next day, when the company agreed to negotiate the claim. Shell Oil Company drivers in Auckland accepted owner-driver contract terms which the Drivers Union had negotiated with the company. Mobil Oil drivers had earlier accepted a switch to owner-driver delivery.

Discussions continued between the Engineering Union and Chicago Bridge & Iron over the dismissal, on 10 May, of a union delegate at the Marsden Point refinery extensions.

On 18 August, the company agreed to reinstate the delgate, but it still claims that its action had been justified. The men involved in the 3-month old strike refused to return to work until the company also agreed to procedures for suspending non-striking workers in case of future disputes. Work resumed on 30 August, after company and union negotiators had reached agreement on outstanding issues. The entire workforce of nearly 3 000 walked off the job on 12 August, after a welder fell to his death at the refinery extensions site. Boilermakers and scaffolders did not resume work until management had agreed to improved safety measures.

Six hundred and fifty construction workers at the Glenbrook steel mill expansion site walked out on 26 August in a dispute over the rights of safety delegates. Discussions continued in an effort to settle a site agreement for the Clyde dam construction project. The combined unions lifted their bans on 12 August and a week later, on 19 August, the 2 sides reached agreement. The terms were not disclosed but it was understood that the core rate was close to the \$6.45 claimed by the union, while the site allowance was closer to the company offer of \$1.24 an hour than to the union claim of \$2.33. The Employers Federation expressed concern that workers on smaller jobs associated with large construction projects were now claiming the same hourly rates as project workers and were already taking industrial action in Taranaki to enforce these claims.

Delegates to the PSA annual conference decided to march on Parliament, on 12 August, to protest against planned changes to their pay fixing procedures. They were stopped on the steps of the House and only a small delegation was allowed in to meet the Minister of State Services. The conference instructed its executive committee to oppose vigorously the proposed changes. The PSA conference also voted unanimously to proceed with the concept of a New Zealand Council of Trade Unions. A State Services Conditions of Employment Amendment Bill was introduced in Parliament on 23 August.

Railway unions threatened industrial action in protest against staff cuts. The chairman of the Railways Corporation confirmed on 19 August that 2 500 railway jobs would be lost over the next 3 years — 500 had already gone this year through natural attrition and it might be necessary, he said, to ask another 200 to 300 to go voluntarily.

Delegates from the German seamens union demonstrated outside the New Zealand Embassy in Bonn on 16 August in protest against New Zealand pickets of Columbus Line ships. Their spokesman claimed that the West German Economics Minister had already lodged a protest with the New Zealand Government, and that "such arbitrary trade union behaviour will not help to promote much sought West German investment". That same day an Auckland High Court judge refused an interim injunction to restrain picketing sought by the Columbus Line, stating that "trade unionists were just as entitled to demonstrate over an issue as people opposed to rugby tours or visiting warships". He ordered that the claim for damages incurred by the picketing be heard in the Wellington High Court. A second shipping company, ABC Containerline, also applied for an interim injunction against picketing, but this was deferred for a further hearing on 27 September. On 22 August, the Seamens Union picketed the ship *Venture Star* in Auckland, but lifted the picket 2 days later. German workers picketed the *New Zealand Pacific* in Hamburg on 23 August.

Beer supplies remained cut to Johnston's Liquorland in Onehunga, where management had defied the Hotel Workers' one-day stoppage in July, and store workers continued to picket outside the shop. On 22 August, the company handed dismissal notices to 5 picketers, and on 26 August it filed an application for an interim injunction against picketing in the High Court.

About 1 200 teacher trainees throughout New Zealand walked out of lectures on 3 August in protest against inadequate allowances. The Minister of Education retaliated by withdrawing the usual \$1 000 administration grants to their association. Protests against the Minister's "bullying tactics" came from the New Zealand Educational Institute, the Auckland Federation of Parent-Teacher Associations and the New Zealand Combined Educational Association, while the Auckland regional branch of the Post Primary Teachers Association asked its national executive to transfer \$1 000 to the trainee teachers from

its emergency fund. Delegates to the PPTA annual conference decided to debate proposed changes to State pay-fixing procedures on the steps of Parliament, on 25 August, and then to lobby individual MPs. They also decided to boycott the administration of the University Entrance examination next year, a move described by the Minister of Education as "totally unscrupulous and unprofessional" and smacking of "shop-floor tactics".

SEPTEMBER 1983

The Minister of Justice confirmed, on 6 September, that the principle of voluntary membership would be extended to professional organisations of lawyers, accountants and the like. The Leader of the Opposition, on the other hand, pledged that a Labour Government would revoke any legislation enforcing voluntary unionism. Sir Thomas Skinner, on 7 September, warned that voluntary membership would produce a stronger and more active – if fewer-in-numbers – trade union movement. "And I think", he added, "we will regret the day that happens in this little country".

Also on 7 September, representatives of the National Youth Council, unemployed workers, university students and trade unions met the Minister of Labour to discuss youth rates of pay, but failed to gain any concessions. A confidential document of the tripartite wage-fixing committee, published in the *Dominion* of 8 September, strongly criticised State intervention in wage fixing and industrial disputes which, it said, did not allow "development of good industrial relations". It drew attention in particular to "the extent of the Minister of Labour's involvement in disputes and the use of his statutory powers". Union and employer representatives met the Prime Minister and cabinet ministers on 13 September to discuss transitional arrangements after the end of the wage freeze. Mr Knox said afterwards that the Prime Minister had not canvassed any extension of the freeze beyond its due end on 29 February. The FOL, he said, would continue campaigning for a \$20-a-week interim pay rise, though a \$50 pay rise was needed.

On 16 September, the Minister of Labour introduced the long-awaited Industrial Law Reform Bill. It will cancel all existing unqualified preference provisions in awards and provide penalties of up to \$5 000 for refusing to employ or dismissing non-union employees. The Bill will also make it an offence for any person to exert "undue influence" on any worker to stay in a union or leave one, outlaw strikes or lockouts over union membership, and repeal existing provisions giving union officials the right of entry to work places. "I cannot in good conscience as Minister of Labour," said Mr Bolger, "compel New Zealanders, at risk of losing their jobs, to belong to an organisation led by communists whose aim is not to promote New Zealand but to destroy the fabric of the society we know and enjoy".

The Bill also makes provision for youth rates of pay, with a yearly review of the minimum wage. Mr Bolger said he intended to set the minimum adult wage for an 18 year old at \$130, and the minimum rates for 15 year olds at 50 percent of that figure, 16 year olds at 60 percent, and 17 year olds at 70 percent. The Bill, which an Opposition speaker described as a "scabs charter", was referred to a special select committee with the support of the Social Credit MPs.

The PSA condemned the Bill as the most frightening anti-union measure New Zealand had seen, but the Employers Federation had divided views. Its President said the Bill would give workers a choice and school leavers a chance in the world of work, but Executive Director Rowe claimed that the Bill was weighted against employers and reflected negatively on industrial relations by emphasising penalties. The legislation, he said, should have been considered by the tripartite committee on long-term wage reform. The employers repeated their call for the ratification of ILO Convention 87. Mr Bolger, in reply, said the Government was in favour of ratification, but this would take years of negotiation with the ILO and would limit his powers to deregister unions. The trauma of facing up to voluntary unionism, he said, will be good for unions if they focus on the

future and not on the past.

A Labour Department paper of July 1980, released by the Opposition on 16 September warned that a widening of youth-adult pay differentials could be expected to lead to "a redistribution of unemployment from young people to adults" and would be viewed as an attempt to "reduce wages and support industry through an imposed low wage policy". The Employers Federation welcomed the youth rate provisions, but Labour speakers pointed out that the proposed minimum wage for a 16 year old, after tax, was less than \$7 above the unemployment benefit, and that the cost in fares would in many cases absorb the difference.

The FOL condemned the shooting down of a Korean airliner by Soviet planes, and some unions took protest action. The Air Line Pilots Association imposed a 60-day ban on flights by Soviet officials, and the Harbour Boards Employees Union imposed bans on the handling of Soviet ships.

Air New Zealand cabin staff gave 14 days' notice of industrial action over the airline's plans to increase the number of Pacific class seats. When the new seats went into service on 12 September, the staff provided economy class service only, but by 22 September Air New Zealand announced that it had received only 3 complaints from passengers.

The President of the Auckland Freezing Workers Union, Mr F. Barnard, on 22 September demanded an immediate meeting of the freezing industry new technology committee to avoid trouble in the coming season. His call was echoed by the national secretary of the Meat Workers Union, Mr A.J. Kennedy. The committee had last met in April, when negotiations broke down over a union claim for severance pay for older workers. The executive director of the Freezing Companies Association, Mr P. Blomfield, blamed union intransigence for the deadlock, but claimed that at least 4 companies were planning to instal automatic pelting machines and that negotiations on new technology were continuing at a local level. Mr Blomfield also criticised the Government's voluntary unionism Bill. "In large-scale labour-intensive enterprises such as a meat processing plant", he said, "unions play an important part in the orderly operation of the plant. Penalties do not improve industrial relations and will not prove to be an effective means of encouraging responsible unionism". Mr Bolger replied that the freezing industry was noted for discord and had the highest rate of industrial disputes year after year.

Fifty staff members at the Royal International Hotel in Auckland walked out on 15 September in protest against the dismissal of 3 colleagues. They picketed the hotel, cutting off beer and oil supplies, and a stopwork meeting at 10 other DB Hotels on 22 September voted its support. DB management offered to reinstate the 3 workers but the staff decided to continue to strike until other outstanding issues were settled.

A fire at the Marsden Point oil refinery on 1 September killed one man and injured another. Workers at the refinery extensions ceased work for 2 days as a mark of respect, but they also put a series of proposals on emergency evacuation procedures to the JVII consortium. An Arbitration Court hearing into the refinery unions' claim for \$2 million in backpay lost during the earlier safety stoppage in June, was adjourned to November at the request of JVII. Meanwhile the consortium offered the unions an out-of-court settlement amounting to \$1.2 million (6 days' pay), which a meeting of the workforce on 22 September accepted by a majority of 3 to 1. "Those employers at Marsden Point have admitted their guilt", commented Mr Knox. Petrol production at the refinery ceased after the fire, and the 70 operators, members of the Stationary Engine Drivers Union, warned that they would not recommission the plant in October unless they received an improved offer in their longstanding relativity dispute. The Boilermakers Union reached agreement with the JVII consortium over the hiring of overseas labour for the refinery extensions, but the terms were not disclosed.

The Minister of Energy blamed an additional \$100 million cost and a completion delay of 6 months in the refinery extensions project on industrial disputes, inadequate productivity and the cost of extra materials and equipment. In reply, the Secretary of the Auckland Labourers Union charged that the unions had been "set up" for disputes and blamed inefficient management, pointing out that the project had already had 5 different

managers in 3 years.

The strike by 650 construction workers at the Glenbrook steel mill expansion site, which began on 26 August, continued throughout the month. The strikers were concerned at the site's safety record and demanded the appointment of 2 full-time safety officials. Mr Knox led the union side in negotiations with the company.

School caretakers and cleaners held a national 12-hour stoppage on 23 September in protest against the introduction of youth rates in their agreement. They pointed out that because school cleaning was based on a work time allocation, no extra jobs would be created by youth rates.

Talks between the Government and the CSU on proposed changes to State pay-fixing broke down when the Government refused a request to delay the Bill and to set up a committee of inquiry.

An application for an injunction against picketing by the ABC Containerline was adjourned indefinitely in the Auckland High Court on 27 September, after the 2 sides had reached an understanding on the manning of a container ship to be built in South Korea for the New Zealand-Europe trade. The Seamens Union undertook to cease picketing, but maintained its stance that the picketing had been carried out lawfully.

The Canterbury Storemen and Packers Union asked the FOL to take legal action against the US Government to challenge its claim that employees at the US Navy Antarctic Support Base in Christchurch were exempt from New Zealand industrial laws.

Mr Justice Chilwell on 1 September granted an interim injunction against the Northern Storepersons and Allied Liquor Trades Unions whose members had picketed Johnston's Liquorland store in Onehunga for 8 weeks. The picketing, he said, had "degenerated into something which is more than unseemly". The pickets reappeared the next day and the unions also maintained their ban on beer deliveries. The unions claimed that they were continuing their action within the law and within the confines of what the judge had ruled.

OCTOBER 1983

Many organisations — trade unions, as well as employers', women's and church groups — voiced their opposition to the Industrial Law Reform Bill. The Catholic Commission for Evangelisation, Justice and Development condemned the Bill as disastrous for management-labour relations. The Auckland Employers Association, which covers half the total New Zealand workforce, described the Bill, after a mass meeting of members on 4 October, as not acceptable in its present form and unworkable. These criticisms were echoed by the general managers of Tasman Pulp & Paper and New Zealand Forest Products, who argued that the Bill put employers with multi-union sites in an impossible position. A representative of Nissan Datsun accused the Government of having acted in a blatantly political and expedient fashion.

The Auckland Trades Council launched a fund to support an educational campaign against the Bill, and union secretaries canvassed employers, seeking assurances that they would maintain access by union officials and would continue to deduct union fees from pay packets. The general manager of Tasman Pulp & Paper announced that he would meet such requests. A special conference of the FOL on 10 October decided on total opposition to the Bill, rather than seek specific amendments, and supported preference of employment for unionists and, where possible, the establishment of "union shops".

The Parliamentary select committee, under the chairmanship of Mr B Townshend, MP, began hearings on the Bill on 11 October. According to the chairman, a total of 650 submissions had been received and more than 80 groups and individuals wished to be heard. The committee planned to sit for 6 weeks and to hear evidence in Auckland and Christchurch, as well as in Wellington. One of the first unions to submit evidence was the Electrical Workers, whose secretary said the union seriously considered cancelling its registration under the *Industrial Relations Act* if voluntary unionism became law, and reforming as a friendly society or as some other legally recognised body.

The Prime Minister announced on 11 October that the Government planned to grant a small general wage increase from 1 April, after the expiry of the freeze, to hold prices, and to place a limit on rent increases. New legislation introduced during the month placed further restrictions on union activity: a clause in the Commerce Amendment Bill allowed for resumption-of-work orders by the Arbitration Court where the cost of a major construction project was likely to be substantially increased through delays caused by strikers or lockouts. Opposition speakers charged that this was an attempt to blame unions for incompetent management at Marsden Point. A Wages Protection Bill, introduced on 20 October, stipulated that union fees could not be deducted from a worker's wages without the worker's consent, repeating a similar clause already in the new Industrial Law Reform Bill. It also empowered employers to recover certain overpayments by making subsequent deductions from a worker's wage. A Holidays Amendment Bill, on the other hand, met union requests for payment of full penal rates to shift workers required to work on statutory holidays. Dairy workers had threatened strike action over this issue last Christmas.

Figures released by the Labour Department on 28 October showed that the number of jobs had decreased by 1.3 percent in the year to August. Full-time employment fell by 2.3 percent, or 20 000 jobs.

The CSU intensified their campaign against what they called "the great State pay robbery". In Auckland some 30 000 state servants took part in various protest activities on 12 October, including a one-hour stoppage at government offices and post offices between 11 am and noon, and a combined teachers' meeting in the afternoon. The PSA gave the Government 14 days' notice of 4, 2-hour stopwork meetings by electricity workers from October 25 to 28, designed to reduce power generation by 25 percent each day. The timing during off-peak hours, 10 am to noon, was designed to avoid hardship to householders and ordinary electricity consumers. One hundred and fifty PSA members at the Huntly power station site struck for half a day.

The authorities reacted sharply to the threat of power cuts. "The Government," said the Prime Minister on 12 October, "will not permit the supply of electricity to the public to be used as an industrial weapon. If the PSA proceeds with this proposal, the Government will take action to withdraw recognition from the association as the body representing State servants. Effectively this means that the PSA will be deregistered".

The PSA expressed surprise at what it called "unbelievable over-reaction" to "mild, disciplined and controlled action" by a voluntary union acting democratically and legally. Thousands of State servants attended stopwork meetings throughout the country, at Pukekohe, Hamilton and Christchurch on 19 October, and at Whangarei, Wellington and Dunedin on 20 October. On 19 October, the Minister of State Services issued an ultimatum to the PSA to cancel the planned power cuts not later than 9.30 am on 21 October. The PSA replied by offering to withdraw all protest activities against the pay-fixing Bill if the Government agreed to return to the negotiating table, or agreed to refer the disputed issues to arbitration. It also offered to reduce the planned electricity workers' stopwork meetings to one hour each day and to reduce the power cuts to 12½ percent, but this was still unacceptable to the Government.

As soon as the deadline had expired on 21 October, the Government introduced a Public Service Association Withdrawal of Recognition Bill, which would effectively deregister the Association and vest its assets in the Public Trustee. Parliament referred the Bill to a select committee, but the Government threatened to enact it on 25 October, if the power workers took action that day as planned. Auckland meat inspectors and Twizel construction workers immediately stopped work in protest, and Benmore power station workers voted to close the plant, if the Bill was enacted. When other power workers also threatened action, the Prime Minister retorted that he would use emergency powers under the *Public Safety Conservation Act* to prevent any shutdown of generators.

The deadlock continued over the weekend. After an emergency cabinet meeting on 24 October, the Prime Minister announced that regulations which made it a serious offence to disrupt power supplies, were ready to be gazetted next morning. Soon afterwards,

a last-minute compromise resolved the dispute, with the assistance of the Presidents of the FOL and CSU, who acted as intermediaries. The PSA agreed to recommend to the electricity workers that they withdraw the proposed action. In return, the Prime Minister agreed not to proceed with the derecognition Bill or the proposed proclamation of an emergency, and to meet urgently with PSA and CSU representatives to discuss the State Services Conditions of Employment Amendment Bill, which was the origin of the dispute. Mr Muldoon emphasised that he had entered into no commitments as regards this Bill, nor were the talks to be regarded as negotiations. The discussions took place on 26 October, and after a further meeting on 31 October CSU representatives expressed guarded satisfaction with the progress that had been made. A special meeting of the PSA Executive Council on 28 October endorsed the association's stand in the dispute and its continued opposition to the Government's pay-fixing proposals.

Air New Zealand decided to remove the 20 extra Pacific class seats, rather than agree to a union demand for 2 additional cabin staff to service them. In a second dispute with the Airlines Stewards and Hostesses Union over a planned change of hotels in Los Angeles, the company decided to postpone the change for a month to give both parties an opportunity to explore all alternatives. Baggage handlers at Wellington Airport, who are members of the Engineers Union, started a work-to-rule on 7 October in protest against changed work rosters. They agreed to go to conciliation 3 days later, but the dispute flared up again on 30 October, when the loaders and cleaners went on strike, forcing the cancellation of all Air New Zealand flights through Wellington. They returned to work the next day.

The small 250-member North Island Chemical Fertiliser Workers Union announced on 27 October that it planned to cancel its registration rather than operate under voluntary unionism, and that its members had agreed to replace the union with a workers' shareholding co-operative.

Thirty nine packing room staff at the Te Rapa milk powder factory went on strike on 11 October, after their 14 days' notice had expired. They were demanding extra pay for work with new sophisticated packing equipment. The company dumped more than 3 million litres of skim milk during the dispute, but after discussions with the Minister of Labour the packers resumed work on 15 October. The company and the Dairy Workers Union agreed to lodge a joint application for exemption from the wage freeze regulations with the Minister.

Talks on the Marsden Point refinery operators' pay claim opened in Auckland on 4 October, with Mr Knox leading the union negotiators. The operators refused to re-commission the refinery, which had been out of action since the fire on 1 September, unless the company settled their 3-year old claim. They had already rejected a company offer of a 12 percent rise backdated to November 1981, and they also wanted assurance on plant safety in view of recent fires. The men resumed work on 11 October, after winning a backdated rise of more than 15 percent, while the company obtained assurances that there would be no flow-on to other workers. Both parties applied to the Minister of Labour for exemption from the wage freeze, which was granted. Two hundred Marsden Point riggers walked out on 5 October because the company refused to let Mr J. Doran enter the site. They claimed the Mr Doran was an official of the Labourers Union, but they were back at work on 10 October.

Negotiations on the introduction of new technology in the meat freezing industry resumed in Wellington on 3 October, but broke down after a day of discussions. The Auckland Freezing Workers Union then opened talks in Auckland on 27 October with 4 local companies in an effort to reach an agreement covering the northern district. Meanwhile the industry became involved in a national dispute over a new Meat Board requirement that all tails be removed from sheep carcasses. According to the Board, overseas customers, particularly in the Middle East, had insisted on this, but the Meat Workers Union demanded extra payments for extra work, which some companies refused. Work stopped at Oringi, Whakatu, Rangiora and Waingawa, but other plants reach agreement with their union. On 25 October Meat Board officials visited the Moerewa works and

approved a method of partially removing the tails, and work resumed at all plants except Oringi.

Three longstanding Auckland disputes were settled during the month : Workers at the Glenbrook steel mill expansions returned to work on 5 October, after Mr Knox and the company had agreed on the joint appointment of an independent full-time site safety adviser. Staff at the DB Royal International Hotel returned to work on 8 October, having gained the reinstatement of 3 dismissed colleagues and the settlement of other outstanding issues, and the 4-month dispute at Johnston's Liquorland store ended on 15 October with the lifting of all union bans and pickets and the reinstatement of 5 dismissed workers.

The newsletter *Wellington Confidential* revealed on 9 October the existence of a newly formed Labour Committee for Pacific Affairs sponsored, it claimed, by the labour attache at the US Embassy in Wellington and designed "to emasculate militant trade unionism in this country". The *New Zealand Times* ran a full-page article on 30 October, detailing activities of this committee and its links with US agencies, including the CIA, and naming as its local leaders 3 union officials : Messrs G. Fraser, of the Food Processing Union, R. Trott, of the Air Line Pilots Association, and E.W.J. Ball, recently retired secretary of the Engineering Union and now workers' member of the Arbitration Court. The officials acknowledged the existence of the committee but denied knowledge of any CIA links. The committee's purpose, they said, was to develop contacts with US unions within FOL policy.

Herbert Roth