

CHRONICLE

NOVEMBER 1985

The Leader of the Opposition committed his party to a flexible wage-fixing system based on enterprise bargaining, the abolition of national awards, and voluntary unionism. The director of advocacy of the Employers Federation, Mr S Marshall, questioned the payment of special needs grants by the Social Welfare Department to 9 families of workers involved in an Auckland strike. The Minister, Mrs Hercus, replied that the department would not withhold assistance from families who lost their only income through strike action. Mr Knox commented that the remarks reflected the cold, indifferent approach by employers to workers in dispute.

Figures released by the Statistics Department showed that wage and salary earners' share of the national income fell from 50.4 percent in the year to March 1984 to 46.8 percent in 1985. This was the smallest proportion since 1966, when workers received 46.2 percent. A further determination by the Higher Salaries Commission awarded increases, including allowances, of about 38 percent to members of the judiciary.

Staff at Irvine's bakery in Auckland, who had faced an injunction after a 7-week strike in July over a claim for a 3 percent (about \$8 a week) above-award payment, gained almost double that amount, a \$15 a week industry allowance, without any trouble. The company said that the earlier claim had been in breach of the sanctity of the award, while the second approach was a more balanced one, but the secretary of the Bakers Union said he failed to detect any difference.

Trading banks reopened on 4 November after a 4-day strike. A compulsory conference chaired by industrial mediator Maurice Teen considered the pay dispute and reached an agreement which staff stopwork meetings endorsed. It provided for a \$700 annual increase to all fulltime employees, with an additional \$500 a year to staff in Wellington and Auckland and a once-only payment of \$170 to staff elsewhere.

The butchers' and grocers' award was settled at a basic 15.5 percent increase. Award talks for security guards broke down when the guards, who claimed a 30 percent increase, rejected an employer offer of an extra \$40 a week. The guards went on strike on 14 November for up to 48 hours, although union and employer claims as to numbers involved differed widely. When renewed negotiations failed to reach agreement, the guards struck again for 24 hours.

The carpenters' award provided for a 15.5 percent rise for tradesmen and a flat \$33 a week increase for non-tradesmen. The union also gained an additional \$1 an hour allowance in return for accepting shiftwork in the construction industry. According to the Auckland branch, this departure from policy had never been put before members' meetings, and the branch promised support to any members who did not wish to work shifts.

Clerical workers continued industrial action in support of their claim for a 25 percent increase (20 percent for general wage movement plus 5 percent towards equal pay). The employers had offered only 11.5 percent, but on 9 November the parties reached an agreement on a 15.7 percent increase, and on clauses relating to sexual harassment and to general health and safety. The Clerical Workers Association decided to ask the Arbitration Court to review the award to see if it complied with the Equal Pay Act.

Milk station workers took industrial action when the employers refused their claim for pay parity with dairy workers. Milk supplies ran short in several cities, but on 27 November, following an Arbitration Court hearing, the parties agreed to use the services of a mediator and to continue award negotiations.

Auckland ready-mix concrete drivers ended their month-old strike on 7 November, after gaining an above-award payment of about \$30 a week. Oil tanker drivers won increases of between 15.5 and 24 percent in their new award. Auckland drug and chemical workers also gained increased of between 15.5 and 28 percent in their award, as well as 10 days' paid maternity leave, claimed to be a union first. Firemen settled their award at a basic 16.4 percent which, with allowance increases, produced an average 17.5 percent rise.

Employers at 5 motor vehicle assembly plants in Auckland and Thames locked out their

2 000 staff on 4 November, because the unions insisted on separate negotiations with individual companies, while the employers wanted combined negotiations. The FOL offered its support, but the lockout was lifted after 5 days, when the unions agreed to combined negotiations on common issues, such as wages, and plant-by-plant talks on issues peculiar to individual sites. The unions also gained 4 days' payment for the period of the lockout, with 6 days at Fords where the dispute had started earlier.

A dispute which kept the Horotiu freezing works closed since 21 October remained unresolved. The company, AFFCO, insisted on reductions of manning levels and the removal of what it called restrictive work practices. The workers called in the FOL, and Mr Knox postponed a trip to the ILO conference in Jakarta to deal with the dispute.

Three thousand mostly part-time domestic workers in private hospitals, who had struck for the first time when their award talks collapsed, gained substantial increases on 8 November: a 7 percent rise from 1 November and a further 15 percent from 1 February. Award talks for licensed hotel workers broke down when the union rejected an employer offer of a flat \$30 a week (about 15.5 percent). The union claim was for \$50 a week (or 25 percent), and strike action began in the North Island on 14 November. On 19 November police arrested 39 workers who had staged a sit-in in Auckland's Sheraton Hotel and charged them with trespassing. Negotiations on the award resumed on 28 November, when the union accepted pay rises of between \$35 and \$40 a week. Meanwhile workers in rest homes and chartered clubs, and domestic staff in public hospitals were considering industrial action when their pay talks collapsed.

Members of the NZ Journalists Union, which covers journalists south of Taupo, voted 665 to 70 in favour of striking if their award talks broke down. There was no disagreement over a 16.4 percent pay increase, but the Newspaper Publishers Association refused to accept a claim that senior Press Association staff should become members of the union. The strike started on 14 November and reduced most newspapers to giveaway advertising editions. The journalists resumed work after 11 days, when the union agreed to separate the membership clause from the main award claim and submit it to a subcommittee. The Northern Journalists Union meanwhile settled its award with a 16.4 percent increase.

Talks on the national labourers' award also collapsed when the union rejected a shiftwork clause already accepted by the Carpenters Union. The labourers called a 48-hour protest strike, but when construction workers at the Glenbrook steel mill extension site, who are covered by a different award, joined this strike, they were locked out by the employers. Members of other Glenbrook unions then walked off their jobs and work on stage 2 of the project came to a standstill, with work on stage 1 also affected by sympathy strikes. The company insisted that all 10 unions on the site sign an undertaking to abide by the disputes procedures and prevent unauthorised stoppages. All unions signed except the plumbers and electricians. The Electrical Workers Union, which had 4 members on the site, applied to the Arbitration Court for an urgent hearing to test the legality of the lockout. The 13-day lockout ended on 26 November, when the company reopened its gates to all but the 18 plumbers and electricians.

The Arbitration Court ruled that the dismissal of 6 workers, including 2 union delegates, at the Marsden Point site in August of last year was unjustified and awarded them back pay and compensation. The court refused to order reinstatement because the project was winding down and was due to be completed by May 1986. The Minister of Labour announced that the controversial Disputes Act was to be repealed next year, after most of the Marsden Point workers had become redundant.

North Island motion picture projectionists called rolling stoppages to press their claim for a \$25 a week industry allowance in addition to a 17 percent pay increase. They called off their action when the employers promised to consider their claims.

Up to a quarter of a million state employees gained a 15.5 percent annual general adjustment backdated to 10 November. Further adjustments were to be made following a review of margins and of pay rates of specific occupational groups. One of these groups, nurses, was offered increases of between 28 and 40 percent on 28 November, inclusive of the general adjustment. The nurses had lodged claims for increases of between 22 and 42 percent on top of the general adjustment. They reacted angrily to the Government's offer, which they dismissed as "trivial" and the Nurses Association, for the first time in its 76-year history, decided to give 14 days' notice of industrial action.

The retail (non-food) award, which covers some 30 000 workers, was settled in

Christchurch on 28 November. It provided for increases of 15.5 percent to adult workers and 18.5 percent to juniors. It also allowed 2 paid stopwork meetings per year.

Secondary school and kindergarten teachers held stopwork meetings in protest against delays in settling their pay claims. The kindergarten teachers voted to strike but called off their action when the Education Services Committee promised to speed up its reply.

Bus drivers in 5 cities — Wellington, Christchurch, Dunedin, Invercargill and New Plymouth — started a campaign of rolling stoppages to press a claim for a \$32 a week pay rise. Auckland drivers, who were seeking the same allowance, voted to remain at work but to support their southern colleagues financially. The employers threatened to lock out the drivers unless they resumed normal work.

Watersiders in every port voted against affiliation to the proposed NZ Council of Trade Unions.

DECEMBER 1985

The new Union Membership Exemption Tribunal held its first hearings and granted 23 exemptions, while rejecting 4 applications, with more than 300 cases still to be considered. The Leader of the Opposition released a paper on industrial relations in which he promised a return to voluntary unionism and reform of the wage-bargaining system through enterprise and industry awards. The Employers Federation put forward similar proposals, while the FOL asked for the removal of restrictive legislation.

On 18 December the Government released its long-awaited Green Paper on Industrial Relations. It consisted of 2 parts: Part 1, distributed gratis, contained 44 questions, with some explanatory comment. Part 2, sold for \$10, provided detailed and valuable background information on many aspects of industrial relations in the private sector, though there were some surprising lapses, such as the statement that figures for union membership were not available for 1947, when these figures were published in parliamentary paper H-11A of 1948.

The Minister of Labour described the Green Paper as part of a "process of information sharing and full consultation with interested parties, as an integral part of the review process" to which the Government was committed. Readers were invited to forward responses and supporting arguments to the Minister by 30 April 1986. The Employers Federation welcomed the paper because it encouraged public debate on industrial relations issues, but Mr Gair, for the National Party, criticised its commitment to compulsory unionism and to what he called "an antiquated national award system". The chairman of the Labour Party's Industrial Affiliates Council, Mr S McCaffley, stressed that Labour Party policy, which called for the repeal of repressive and provocative legislation and for the strengthening of the national award system, was not negotiable, but Treasury experts, according to a union source, saw the Green Paper as a means of gaining public support for a deregulation of the labour market.

Figures released by the Statistics Department showed that real disposable incomes (after allowing for inflation and taxation) of fulltime wage and salary earners fell by 2.3 percent in the September quarter and by 6.8 percent in the full year to 30 September. A survey by the New Zealand Herald on the other hand revealed that the most recent wage settlements had resulted in increases well in excess of the original 15.5 percent. Thus the \$1 an hour shift allowance to carpenters raised their total increase to 35 percent. Rubbish collectors had gained a \$47 a week removal allowance, and wine and spirit industry workers a \$15 a week industry allowance, both on top of a 15.5 percent increase. Similar allowances were won by motion picture projectionists, drivers for trucking firms, workers in food processing plants, and employees of the Farmers Trading Company, while boiler operators gained special payments in recognition of competence certificates. The president of the Auckland Employers Association, Mr B Jarvie, predicted an increase in job losses in the new year due to high wage settlements, but the president of the Auckland Trades Council, Mr B Andersen, pointed out in reply that unemployment has rocketed during the wage freeze, when workers received only an \$8 wage rise in nearly 3 years.

The Arbitration Court upheld an appeal by the Bakers Union against a High Court decision which had declared illegal a strike by 61 Irvine's bakery workers in July and had ordered a resumption of work. The Arbitration Court held that the dispute was neither a dispute of interest nor a dispute of rights and was not provided for in the Industrial Relations Act. It thus removed doubts that had been raised by the earlier decision about the legality of second-tier bargaining. Later in December, Irvine's bakery workers won a 16 percent increase in their award, with increases of up to 57 percent for junior workers.

Trustee savings banks' staff, who are members of the clerical workers' unions, held short

protest strikes in Christchurch and Auckland when their award talks broke down. The Arbitration Court directed the parties to enter mediation.

Killing of stock resumed at the Horotiu freezing works on 12 December. The 7-week strike was settled in negotiations between Mr Knox and the owners AFFCO.

Rest home workers accepted an employees' offer of an 18 percent increase on 11 December, while chartered club workers settled for increases ranging from 16.24 percent to 18.77 percent. The Hotel Association announced increases in the price of liquor, food and accommodation to make up for the extra cost of wages conceded in the award, but the Prime Minister criticised the announcement as "a voice from the past," reflecting an outdated cost-plus approach. The price increases, he said, were provocative in the light of a rise in brewery profits last year of 52 and 42 percent, substantial profits by some hotel owners, and increases in executive salaries.

The southern daily newspaper award was settled on 13 December with a basic wage rise of 16.4 percent.

Hospital doctors expressed support for the proposed 3-day nurses' strike from 17 December. The Minister of Health refused to negotiate while the strike threat remained, but the Prime Minister stepped into the dispute and agreed to meet officials of the Nurses Association on 10 December. At Mr Lange's suggestion industrial mediator, Mr Teen was called in to help settle the dispute. On 13 December, after Mr Teen had reported to the Government, the Nurses Association called off the strike and, following renewed negotiations, it accepted an improved Government offer on 20 December, which provided increases of up to 45 percent, inclusive of the general adjustment payable to all state employees. Psychiatric and psychopaedic nurses, who are members of the PSA, rejected a similar pay offer because it excluded student nurses and psychiatric assistants who make up half the staff in mental hospitals. The PSA gave 14 days' notice of industrial action, but nurses at 5 Auckland psychiatric hospitals anticipated the deadline by holding a 24-hour strike on 23 December.

The Police Association sought pay rises of around 11 percent for constables and sergeants and 8 percent for higher ranks, on top of the general state services adjustment. On 18 December the Government made an offer of a 5 percent rise, which the Police Association rejected as "contemptuous", "ludicrous" and "totally insulting". Local meetings of the Association voted in favour of industrial action and, in Dunedin and Christchurch, voted no confidence in the Police Minister and Commissioner. The Police Association did not give notice of industrial action, but it announced plans for a campaign of "administrative inconvenience", which would not jeopardise public safety. After a meeting with police negotiators on 27 December the Government promised to reconsider its pay offer at the first cabinet meeting in January.

The Minister of State Services announced on 23 December a new pay package negotiated with the Combined State Unions, which gave state employees a further 4 percent on top of the general adjustment of 15.5 percent announced earlier. The extra "corrective factor" was to take account of the real movement of private sector rates since the end of the wage freeze. The package also comprised a review of margins for skill and responsibility, a review of middle management salaries, and a restructuring of the executive/clerical scale, which brought the total increases to 30 percent and more. The opposition spokesman for labour, Mr Gair, described the pay increases for state employees as deplorable.

Christchurch rubber workers, who had been on strike for a month over a relativity and bonus agreement issue, rejected an employer proposal to refer the dispute to the Arbitration Court. The 650 workers voted to continue the strike indefinitely, but Mr Knox proposed a joint meeting with the employers and Government to settle the dispute.

Kindergarten teachers held a nationwide stopwork meeting on 5 December to discuss the breakdown in their salary negotiations. They were satisfied with government offers to basic grade and senior teachers, but rejected an offer of 9.7 percent to head teachers, who constitute about half the staff. On 10 December the Education Services Committee raised its offer to head teachers to 15.2 percent, which the Kindergarten Teachers Association accepted. Secondary school teachers pressed the Government for settlement of their pay claim (first lodged in July) before the end of the year, to avoid a serious teacher shortage at the start of the new school year in 1986. Discussions with the Education Services Committee did not open until close to Christmas.

The compulsory conference set up after the 6-week lockout of paper workers at the Tasman Kawerau mill reached agreement on 9 December, when the paper workers' union accepted the

company's productivity and profit-sharing proposal. Details of the new wording of the proposal were not released.

Bus drivers in 5 cities held another one-day strike on 3 December in support of their campaign for an extra \$32 a week, and extended the strike indefinitely when the Christchurch Transport Board threatened to lock out its drivers unless the union ceased its "restrictive practices". The Acting Minister of Labour, Mr Burke, held separate talks with union and employer representatives and then called a compulsory conference chaired by Christchurch conciliator Mr B Gray. Bus services resumed on 9 December, but the conference collapsed on the following day when the employers refused to let the conciliator decide the issue and refused to discuss the pay claim until next year's award talks. There were suggestions that Auckland bus drivers, who so far were giving only financial support, would now be drawn into the dispute. The bus strike resumed on 12 December, but when Christchurch members voted to return to work, the union called off the strike on 16 December.

JANUARY 1986

The Minister of Labour released a copy of Economic Stabilisation (Electrical Contractors' Electrical Workers Conciliation Council) Regulations, which had been drafted last September, when the Government considered intervening in the wage round. Mr Neary, of the Electrical Workers Union, commented that the regulations would have rendered his union "totally ineffective to represent the contracting section of its membership" and that they were in conflict with the Government's free wage bargaining policy and its commitment to repeal punitive industrial legislation. He also claimed that the draft regulations had not been discussed by the Government caucus.

Mr Rodger admitted that settlements in the wage round had been far higher than the Government wanted. Awards, he said, had not been settled according to industry ability to pay, but he rejected claims by the president of the Employers Federation that another wage round "within our present legislation framework" would sound the death knell of the Government's economic policy. The FOL saw the employers' call for a reform of the industrial relations law as an attempt to undermine the national awards system, and Mr K Douglas warned that 1986 would be a tough year for unions, with deregulation the main political issue. The FOL also rejected claims by employers and politicians that the high wage round was responsible for mounting job losses and the downturn in the economy.

The Union Membership Exemption Tribunal granted exemption to a Christchurch cleaner who had objected because his union was affiliated to and financially supported the Labour Party, whose ideologies and policies he found repugnant. Labour Party and union representatives expressed concern at the decision, but the Cleaners Union decided not to lodge an appeal because of the high cost involved. The National opposition warned that it would fight any move by the Government to change the union membership exemption provisions.

Rubbish truck drivers and collectors in Manukau city went on strike on 14 January over the dismissal of 2 men for swearing. The contractor refused to reinstate them or to suspend them on full pay pending further discussions, and both sides settled down for a protracted dispute while rubbish bags piled up in city streets.

Talks on the meat workers' award resumed in Wellington on 21 January, but broke down the following day amid warnings of imminent industrial action. The unions had lowered their claim to the "going rate" of 15.5 percent, but the employers' offer of \$23 a week represented an increase of only about 5 percent.

Public hospital kitchen and cleaning staff gained a 20.1 percent increase in their award talks. Kitchen staff at Northland hospitals went on strike on 19 January, after 2 months of limited industrial action, because the Northland Area Health Board had transferred them to a private catering firm without prior consultation with their union. The new employer, Advanced Food Systems International, obtained an injunction in the Auckland High Court restraining the Hotel Workers Union from taking any part in the dispute, but the strike continued. On 31 January the Arbitration Court ruled that it had no jurisdiction to order the striking workers back to work, and hospital workers in other centres gave notice of industrial action to support their Northland colleagues.

Air New Zealand ground catering staff, also represented by the Hotel Workers Union, imposed work-to-rules and overtime bans after their award talks broke down in December.

Negotiations resumed in Auckland on 15 January, but the union representatives walked out when the company refused to improve on its offer. Flight kitchen workers in Auckland, Wellington and Christchurch voted in favour of an immediate 48-hour strike, and they resumed their strike when negotiations again collapsed later in January. The company suspended some staff and Auckland kitchen workers picketed the Air New Zealand building, while domestic and international services continued without in-flight meals and drinks. According to union sources, the \$20 compensation for missed meals which Air New Zealand gave to each passenger cost the company more than \$80 000 a week, while the cost of the extra pay claimed by the 300 kitchen workers came to only \$78 000 a year.

Nurses in private hospitals gained increases of more than 30 percent, which maintained their relativity with nurses in state hospitals, but nurses in mental hospitals continued their protest campaign against an inadequate pay offer. Nurses at Tokanui, Porirua and Christchurch hospitals held a 24-hour strike on 3 January, and Tokanui called a second strike, this time of 48 hours, from 6 January. Staff at other hospitals also took action, but the Minister of Labour criticised the timing of the nurses' strike when the Government would not be able to consider their claims until the first cabinet meeting on 21 January. The PSA advised the nurses to call off further action, and renewed negotiations on 28 January reached a settlement of the dispute.

Another group of hospital workers, laboratory technicians, were less successful: the Institute of Medical Laboratory Technology rejected the Government's pay offer early in January and called meetings of its members to decide on further action. The technicians, who sought increases of 20 percent above the 15.5 percent general state adjustment but had been offered only 5 to 6 percent, voted in favour of giving 14 days' notice of industrial action. The Minister of Health refused to resume negotiations until the technicians withdrew their strike notice.

The Police Association stepped up its protests against the Government's 5 percent pay offer, on top of the general adjustment. Districts pressed the national negotiators to give notice of industrial action; staff meetings in Hamilton and Whangarei voted to give such notice immediately, while other districts passed votes of censure or no confidence in the police negotiators. After the cabinet meeting of 21 January the Prime Minister announced that the Government would not increase its offer. The offer, said Mr Lange, could be revised, but only downwards. "It certainly would not be revised upwards. If anyone thinks that in the world we are now living in, we are going to offer people one year after they had a substantial increase another 30 percent plus, they are wrong."

Police Association officials denounced the statement as "laughable" and "a slap in the face", but Mr Lange had left room for manoeuvre by referring to further negotiations on merit and incentive payments. On 24 January cabinet ministers met representatives of the Police Association and of the Police Officers Guild (which represents commissioned officers) and reached agreement on a new scale which provided increases of about 31 percent, inclusive of allowances. According to the Government, the total cost of the new package was within the \$55 million originally allocated for police pay increases. The new starting pay for a probationary constable, fresh from a 24-week training course, was \$31 321 a year, which was twice the starting rate of a law graduate and equivalent to the salary of a senior solicitor or a deputy principal of a secondary school.

The Social Security Commission ruled that 650 Christchurch rubber workers, who had been on indefinite strike since 21 November after a breakdown of their award talks, were entitled to unemployment benefits because they had been served with lockout notices by their employers on 10 December. The employers' advocate declared himself "pretty horrified" by this decision. The employers withdrew the lockout notices and thus made the workers ineligible for the dole, but after further negotiations with the participation of Mr Knox, the workers voted to accept arbitration by Mr M Teen and resumed work on 21 January. Mr Teen's decision reinstated the traditional formula for setting pay relativities and gave the workers a better deal than the employers' final offer.

The Farm Workers Association, set up in 1974 in rivalry with the NZ Workers Union, revealed that its membership had declined from about 7 000 in 1978 to fewer than 500, and that it had collapsed in the North Island and was barely functioning in the South.

Four Auckland affiliates of the recently formed Distribution Workers Federation — the Northern Drivers Union, Northern and Hawkes Bay Stores Union, Northern Butchers and Grocers Union, and Auckland and Gisborne Shop Employees Union — announced plans to amalgamate to form a Northern Distribution Workers Union with up to 35 000 members.

The PPTA reached agreement with the Education Services Committee just before Christmas on a new pay scale for secondary teachers. It was the first time since 1971 that such agreement had been reached without the issue going to arbitration, but the deal was subject to cabinet approval and a cabinet subcommittee expressed reservations because of the high cost involved.

FEBRUARY 1986

A survey compiled by the Employers Federation showed that of 147 private sector awards so far settled in the current wage round, only 5 were settled below 15.5 percent, and 84 at 15.5 percent. The highest gains were made by plumbers and private hospital nurses. The Minister of Finance expressed concern that the wage round continued to produce "unrealistic settlements" but expected commonsense to prevail in the next round. The Minister of Labour assured a conference of Labour Party union affiliates that the Government would not go along fully with changes employers wanted in the wage-fixing system, and Mr S McCaffley, the chairman of the Affiliates Council, drew the conclusion that the national award system would not be changed. The Minister of Trade and Industry, however, told an Export Institute seminar in Auckland on 24 February that big changes to the industrial relations machinery were essential before the next wage round began.

Air New Zealand pilots held stopwork meetings on 3 February to discuss their pay claims. The company had given them a 20.12 percent increase in line with the general state sector adjustment, but the pilots claimed a 37 percent increase based on Higher Salaries Commission recommendations. This would lift the top of the pilots' scale to \$133 700, only slightly below the Prime Minister's salary and apparently above that of the chief executive of Air New Zealand. To press their claim the pilots adopted irritation tactics, such as using extra fuel on take-offs, which the Prime Minister denounced as "a form of gangsterism". At the end of the month Air New Zealand announced unilaterally a scale of increases of up to 32 percent, giving a top salary of \$129 000, but the pilots continued their campaign of sanctions.

The Airline Stewards and Hostesses Union gave Air New Zealand 14 days' notice of industrial action over the longstanding rostering dispute, but the 2 sides were able to reach agreement on 17 February in informal talks with industrial mediator Mr W Grills. Air New Zealand kitchen staff at Auckland, Wellington and Christchurch continued their strike over a breakdown of their award talks until 12 February, when the Minister of Labour ordered a compulsory conference.

Trading bank employees won increases averaging 17 to 18 percent in their new award, but rising to 29 percent in the case of 20-year-olds. The union also won 3 days' paid paternity leave. Trustee bank staff also won increases averaging 18 percent. Child care workers gained their first ever award in negotiations held in Dunedin late in February.

The Clerical Workers Association lodged a claim with the Arbitration Court that the national clerical award did not comply with the Equal Pay Act because it undervalued clerical work compared with other occupations. The Court heard the case on 25 February but ruled that it had no jurisdiction under the Equal Pay Act. Clerical workers employed in the Hutt Valley car assembly plants went on strike on 12 February, when their award talks broke down. Production at General Motors, Fords and Todd came to a standstill when the companies suspended some 2 000 car workers.

Cooks and stewards refused to work on the inter-island rail ferry Arahura because the ship was 4 men short. They ignored a directive from the Shipping Tribunal to return to work and, when the Railways Corporation suspended the strikers, they staged a sit-in on the ferry Aratika. Normal work and award talks resumed after the Minister of Transport spoke to both parties on 28 February.

A strike by 22 rubbish collectors in Manukau City over the dismissal of 2 men continued throughout February. The Arbitration Court ruled on 25 February that the Drivers Union follow the personal grievance procedures of the award and recommend to its members a return to work. At a meeting with the contractor and council staff on 28 February the union agreed to terms of settlement which brought a return to work on 3 March. The 2 dismissed men were to attend a personal grievance hearing.

Pay talks for meat industry tradesmen adjourned indefinitely when the employers rejected the unions' claim for a 15.5 percent increase and offered a mere 5.2 percent. One hundred and forty shift engineers, who are members of the Institute of Marine and Power Engineers,

decided not to operate cooling systems from 9 February, because of a breakdown of their award talks. This caused the closure of 26 of the country's 38 freezing works and the suspension of some 20 000 meat workers, but the engineers lifted their ban on 18 February to allow a meeting between the meat unions and the Meat Industry Association to take place. That meeting, on 21 February, again failed to reach agreement and the meat unions then decided on a national strike which started from midnight on 25 February.

Northland hospital kitchen staff voted 55 to 6 on 3 February to continue their strike. The union lawyer argued in the Auckland High Court, where the contractor again sought an injunction, that the kitchen workers had been handed over like "a pen of cattle" and that the contractor could not demand a return to work because he could not establish that he had a valid contract of employment with them. Talks between the parties on 7 February proved fruitless, but the staff returned to work on 17 February, after accepting an FOL and Employers Federation proposal for a committee of inquiry into their dispute.

Negotiations on the restaurant workers' award opened on 11 February, with the union claiming a rise in the hourly rate from \$4.83 to \$6.33. When the employers offered only a 92¢ increase, subject to various conditions, the talks broke down. The Hotel Workers Union then initiated a campaign of rolling stoppages in Auckland, starting with a walkout at a McDonald's hamburger restaurant and followed by 24-hour stoppages at other fast-food outlets, industrial cafeterias, and cinema confectionery bars. Most inner-city picture theatres closed in Auckland on 14 February because projectionists and ticket staff refused to cross the hotel workers' picket lines. In Wellington restaurant workers gate-crashed a Government reception at the Beehive on 19 February to draw attention to the plight of the low-paid, but the campaign of stoppages was called off on 25 February when award talks resumed.

Building labourers gained a 35 percent increase on 12 February, when their union agreed to the introduction of shiftwork in return for a \$1 an hour shift allowance in addition to a 15.5 percent pay rise.

Hospital laboratory technicians withdrew their services nationwide on 11 February, except in intensive care, neonatal and emergency units. They returned to work 2 days later and resumed negotiations with cabinet ministers and officials. The Government submitted an improved pay offer, but it affected only a third of the staff, and the technicians decided to take their claim to the Health Service Tribunal.

An unusual strike by management personnel took place at the Portland cement works near Whangarei, where 36 executives walked out on 17 February over a claim for relativity with 24 percent increases gained by manual workers at the plant. The company suspended the production workers until the executives returned to work on 20 February. The terms of settlement were not disclosed.

A strike by 10 men at the Tasman pulp mill at Kawerau over a claim for a 26¢ an hour allowance caused the closure of the mill and the suspension of hundreds of workers. The company decided to seek an injunction to the Rotorua High Court, but on 14 February both sides agreed to refer the dispute to arbitration by Mr Grills.

The Attorney-General on 8 February released the text of an opinion from the Solicitor-General, which the Government had sought on 24 January during the pay dispute with the Police Association. The opinion emphasised that industrial action by police was unlawful because of the oath they had taken to serve until legally discharged. "You cannot have the police breaking the law. They are responsible for its maintenance," said Mr Palmer, but the president of the Police Association criticised the release of the document as "academic nonsense".

Traffic and prison officers expressed dismay at inadequate pay offers by the State Services Commission, and staff at Auckland's Mount Eden prison staged a spontaneous "lock-in" on 5 February by placing a ban on admissions. Elsewhere staff locked up the prisoners and walked out, the first such action in the history of the prison service. The PSA gave notice of nationwide rolling strikes from 20 February, but this was withdrawn when the Minister of State Services appointed Mr Grills to examine the prison officers' pay claims. Traffic officers announced their intention to impose various bans from 17 February, but this threat too was withdrawn when the Minister of Transport promised to personally review their claims. Social Welfare staff, however, did walk out in several centres and discussed plans for a national day of action.

The Government expressed concern that large pay rises in the wake of the Higher Salaries Commission recommendations might have caused state salaries to move ahead of comparable figures in the private sector. The Prime Minister warned on 10 February that state workers could get smaller rises than other workers in the next wage round, and on 14 February

the Minister of State Services announced the establishment of a consultative committee to review the principles and procedures of state pay-fixing.

On 3 February cabinet rejected the pay package agreed by the PPTA and the Education Services Committee, but decided to continue discussions with the Association on a less expensive deal. Rising concern over the rapid growth in the state pay bill was undoubtedly one of the reasons for this decision. Teachers held stopwork meetings in the second week of February, which called for a militant response, but the leaders of the PPTA were able to reach agreement on a new compromise pay deal on 13 February in negotiations with 2 cabinet ministers, Messrs Marshall and Caygill. When this deal came before the full cabinet on 17 February, it was again rejected on grounds of cost and because the problems of recruitment and retention were not as serious as originally thought. The Government reverted to its original pay offer, turned down by the PPTA in December, but it left the teachers the option of taking their claim to the Government Service Tribunal.

Hundreds of teachers spontaneously walked out of their class rooms, and in Wellington they marched to a noisy demonstration outside Parliament. They compared their treatment with that accorded to nurses and police, and the PPTA expressed amazement that months of negotiations, when agreement had twice been reached, should have ended in total failure. Protest strikes and stopwork meetings continued, but the Government described its offer as final, and when a teacher challenged the Prime Minister at an open-air function in Wellington on 19 February, an annoyed Mr Lange told him "to piss off".

After a wave of wildcat strikes, including another demonstration outside Parliament, the PPTA held a national strike on 25 February and took a ballot on further action, such as regular strikes every Tuesday and a refusal to teach third-formers. The ballot favoured action, but the PPTA entered into new talks with the Minister of State Services and decided to take the Government's advice and lodge a tribunal application. The Government offered to assist in getting the earliest possible fixture. All strike action was suspended and schools returned to normal on 3 March.

Herbert Roth