



M&C Workers News

JOURNAL OF THE MANUFACTURING & CONSTRUCTION WORKERS UNION

Wellington City Council debates extending the living wage

The union has been taking part in the Living Wage Campaign which has been working to get Wellington City Council (WCC) to pay the living wage.

A first step was agreed by the Council (reported in the last M&C Workers News) so that direct employees will be paid at least the living wage as a minimum.

The Campaign is seeking to have this extended to cover the employees of contractors and sub contractors to the City Council.

As M&C Workers News goes to the printer WCC is discussing extending the living wage. The Council's final Long Term Plan which sets the WCC budgets and priorities for the next ten years is being debated and one of the additions being proposed is extra funding for more workers to get a living wage.

Many public submissions to the WCC draft Long Term Plan called for the living wage to be extended to contracted staff including cleaners and recyclers. Our union represents workers employed by contractors to Full Circle (a CHH subsidiary) that collects Well-

ington's recycling rubbish.

Mayor Celia Wade-Brown is backing a move so that the living wage will be extended on a contract-by-contract basis to include cleaning and recycling. The cost is expected to be \$500,000 per year by 2018.

At the same time as taking part in the Living Wage

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Wellington City Councillors listen to living wage campaigners

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The future of the union's offices in the historic Wellington Trades Hall has been decided.

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Recent negotiations confirm a minimum "going rate" of 2%

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National resources are to be developed on the

union's website to help union delegates

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An employer campaign aimed at undermining the right to strike has been halted

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Vulcan Steel withdraws Employment Court appeal

A long running dispute with Vulcan Steel has finally been resolved in the Employment Court.

A union member, Errol Walker, was given an unjustified warning by the company. On pain of dismissal he was forced to sign a document saying he wouldn't challenge it. Errol did challenge the warning and the dispute proceeded

from that challenge.

Mediation about the warning followed and the company refused to pay Errol's wages while attending even though mediation had been ordered by the Employment Relations Authority (ERA). Subsequent complaints about work performance were also contested.

The ERA found in Errol's favour ordering that the warnings be

quashed and that compensation should be paid totaling \$3809.56.

The company didn't like the outcome of the ERA hearing and applied to the Employment Court to have the dispute heard again. As part of this appeal the company sought to have a stay of the ERA judgement by the Employment Court until after its appeal had been decided by the Court.

CPI down overall but food prices rising

The Consumer Price Index has dropped for the second quarter in a row. But food prices are up.

At the end of the March quarter of 2015 prices overall dropped by 0.3%. This followed the 0.2% fall in prices for the December 2014 quarter. For the March year as a whole the CPI only rose by 0.1%.

The CPI measures a range of prices. Some things, like petrol, air fares and overseas hol-

idays fell during most of the last two quarters. However, other prices have increased.

Food prices are showing the highest increase since 2011.

For the year ended March 2015 food prices went up by 1.9%. Food prices make up nearly one fifth of the Consumer Price index.

In March fruit and vegetable prices rose by 8.3%. This sharp increase in the cost of healthy food is leading to decline in its consumption.

STAY DENIED

The Employment Court ruled on the request for a stay denying it on 11 February. The basis of any ruling on such a request for a stay is a preliminary view of the Court as to the likelihood of the appeal succeeding.

With the Court ruling against the stay and indicating that Vulcan's chances on appeal were not the best the company decided to withdraw its challenge against the ERA decision.

This left the Employment Court to settle the matter of costs. The Court's decision on costs was to award Errol Walker a little under \$3000.

From the work front...

Trades Hall to be run by resident unions

The future of Wellington Trades Hall was resolved at the AGM of the Trades Hall society that owns the building at the end of March.

The site that the Trades Hall sits on is to be split in two. Most of the rear car park and another building at 29 Marion Street is to be vested in the Engineers Union, the Maritime Union and the Building Trades Union. In return those unions will quit their membership of Wellington Trades Hall Inc. This leaves our unions as the sole members of the Trades Hall having complete rights to look after the future of the building.

SPENDING NEEDED

The Trades Hall needs to have \$200,000 spent on it to bring it up to the minimum earthquake code. The unions quitting Trades Hall had refused to allow any borrowing to fund the earthquake work required.



Wellington Trades Hall is a union landmark in New Zealand not least because of the 1984 bombing

While the building withstood two reasonably sized earthquakes a couple of years ago without damage (unlike many other Wellington buildings) work is required to be undertaken to bring the building up to earthquake standards by 2025.

RENT STRIKE

The Trades Hall has been allowed to run down over many years. Our unions staged an 8 year rent strike to try to stop this from continuing. While this eventually got our unions some say in the building renovating the building was continually frustrated by the unions

now quitting who had no interest in it. Their main objective was to get as much money out of the building as possible.

Trades Hall was built in the 1920s and paid for by a number of unions, and by workers in Wellington many of whom paid a levy to help fund its construction. Our unions' contention was that none of the union members of the Trades Hall were entitled to take money out, other than the \$200 that the rules of the society specified.

However the rules also specified that any union member could veto borrowing so the Trades Hall has been consigned to its run down condition.

NEW RULES

As part of the exit of the 3 unions who wanted to take "their money" out of the Trades Hall, a new set of rules was agreed to. These rules vest all power to make decisions about the future of the building in the unions that are actually resident in the Trades Hall.

The Trades Hall is a heritage building because of its role in New Zealand's social history and its architectural merit. Our union has always taken its role in looking after the heritage of the trade union movement very seriously.

A new tree

After the bombing on the Trades Hall in 1984 a plaque was placed in the park immediately opposite in memory of Ernie Abbott. The plaque read in part

The struggle for justice, equality and a peaceful world which Ernie believed in, will not be deterred and like this tree will continue to grow and achieve its full height

Unfortunately the tree chosen at the time was a Kauri. Not suited to exposed Wellington conditions the tree died and the Council deemed that a Kowhai would do. This year, however, the Council has agreed to replace the kowhai with a suitable large tree - a Totara.

Collective agreement negotiations...

Mars bargaining stalls over low wage offer

As M&C Workers News goes to print the MARS bargaining has stalled.

Mars sought a 3 year term and offered 0.5%, 0.7%, and 0.9% for each year respectively. They argued, among other things, that they pay well currently, the Whanganui site is the most expensive MARS producer of pouched pet food world-wide and that the increases were above current CPI and predicted low inflation going forward.

PROFITABLE COMPANY

The negotiators, among other things, reminded management of the publicly listed financial statements which demonstrates a very healthy business in profit.

Over the last five years the company's financial position has improved significantly. While a lot of money is being paid back to share-

holders, money spent on employees has remained constant.

OFFER OF SETTLEMENT

Following a lot of robust negotiations over three days, the Unions are taking an offer of settlement back to members to seek their direction.

The company has offered 2.5% from expiry or 2.2% from the 1st January for a 21 month period. Despite a 16 April expiry the 1st of January has always been the date that increases have applied from and the 21 month term reflects the parties intentions that the expiry date lines up with the date when increases apply. However, this year the current manager did not accept that the 2.5% initially offered would apply from 1 January when asked, stating it was his assumption that any increase would be from expiry.



Production line at Mars: Making the company a good profit

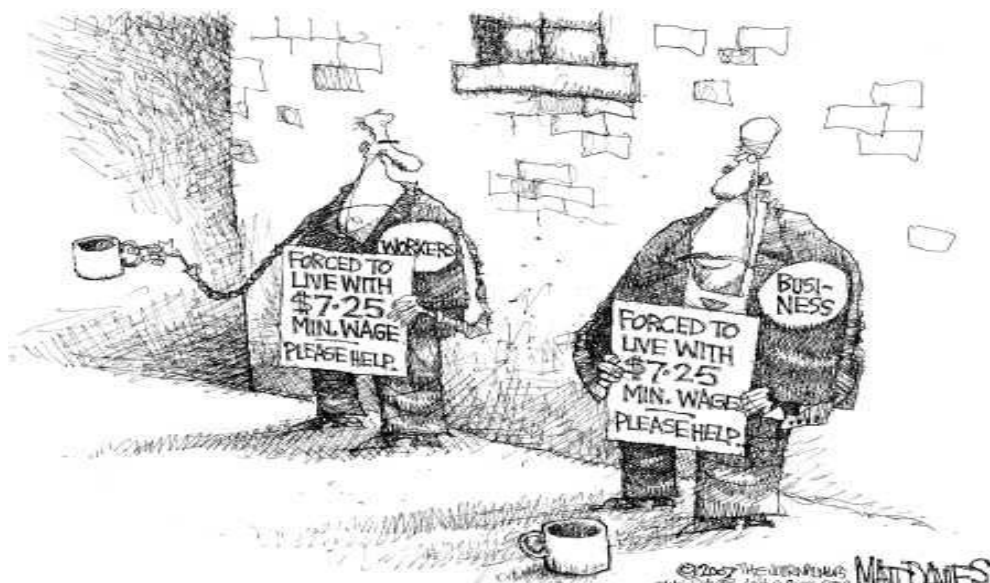
Members are also seeking backdating for Union members only, arguing that IEAs do not have expiry dates and should not be negotiated until after the CA is settled. Individual agreements do not need to be backdated and to do so would undermine the collective agreement and breach good faith requirements.

HIGHER INCREASE?

There is agreement for the non back dating although the bargaining teams feel the company will just offer a slightly higher increase to non-union employees.

Stronger wording within the collective agreement is also being sought in regards to its provisions being passed on to non union employees to enable members to challenge the company should they pass on the settlement, or undermine the CA.

Bargaining and the final outcome will be reported in more depth in the next issue of Union News.



Axiam Group agreements settled

Bargaining with the Axiam group this year saw a fair outcome for members at both the Plastics and Metals sites.

The businesses are locally owned by the Oskam family who manage both sites. The Axiam Group was previously three separate entities, at three separate sites, all in close proximity, being Die-Casting, Engineering and Plastics. Some years back the company advised the Unions that it wanted to bring all the separate business into one over a period of time and Die-Casting and Engineering were subsequently combined into one. The family, despite a very competitive and changing market, have recently invested heavily in a new plant to house the previ-



Axiam Plastics

ous two separate businesses under the same roof. In the fullness of time the Plastics business will also combine with Metals to form a single Axiam business. The company agreed some years back that the two Collectives would need to be combined into one and as a result the two agreements now largely match each other in reference to wording and terms and conditions.

BARGAINING

Metals management reported that the last financial period was more stable than the previous albeit a small loss occurred. Management are positive about the future and advised that a number of new contracts are on the horizon. Members at Metals ratified a 2% increase and a 12 month term.

Plastics management reported a reasonable year, with the business being slightly below the break-even point of 5% for the financial period. A significant amount of new work from Fisher and Paykel Healthcare was produced by Plastics and the company is looking to make a large capital investment over the next financial period to increase that and other work.

3% AVERAGE

Plastics members ratified a 3% on average increase, which gave

3.4% at the bottom and 2.6% at the top.

At both sites, the no pass on clause was also strengthened to ensure the Collective Agreement is not undermined. At both sites the Union argued that non-members should not receive the additional benefits within the collective agreement, excluding the rates, arrived at by way of collective bargaining should they choose not to join the Union and be covered by the collective. The company indicated some agreement to that and M&C will be looking to ensure members terms and conditions are not undermined. A savings clause was also agreed to at both sites. The stat holiday wording was also tidied up to ensure it reflected the law.

Collective agreement briefs...

The SCA collective agreement between Electrical Union members and the company in Kawerau was renewed in March with a two year term and a wage increase of 1.5% per years.

HALE MANUFACTURING

The collective agreements for the two sites in Lower Hutt were renewed with a 2% pay rise for a one year term.

MAYER & TOYE

The Wellington badge maker offered a two year agreement with a pay rise of 2% for each year. Members did not like the two year deal and accepted a one year term with a 2% pay increase.

Banked hours was also agreed to at the Metals site. The ability to bank overtime hours at the overtime rate has been at the Plastics site for some time. It is equivalent to time in lieu.



Wellington City Council debates extending living wage

Continued from page 1

Campaign the union has also been negotiating with one of the recycling companies, Freemantle Enterprises.

At Freemantle the increase in the minimum wage to \$14.75 overtook the wage rates paid under the first collective agreement so all wage rates were adjusted to that level.

In the collective agreement negotiations the company has tentatively said it will look at a 50 cents per hour increase over the \$14.75 now paid. What Freemantle is able to do is constrained by Full Circle who pay the money for wages.

Other claims included an increase in sick leave. The union argued



that the statutory minimum was insufficient. Conditions in the recycling industry inevitably make workers more prone to sickness. The company accepted this argument and will discuss the matter further with Full Circle.

The Living Wage provision, which recognises that the WCC may adjust contracts enabling a living wage to be paid and committing the company to the living wage should that happen, will be included in the CEA.

Bonus talks ongoing

At the recent Collective Agreement talks with EnviroWaste the Union had a number of claims.

Claims included a 5% pay increase, an increase in the Company bonus, an increase in sick days, the introduction of a meal allowance and an extension of the coverage clause to include office workers.

The Company had no claims as such, however they wished to discuss the accumulation of annual leave and strategies for addressing this and also they wished to discuss the current discretionary performance bonus and the criteria it is measured on.

At the conclusion of the negotiations a 2% pay increase backdated to 10 February was offered and agreement on the setting up of a



working party to discuss the Company bonus, also there was agreement to look into a fairer way to distribute the fruit that the Company puts on offer for its workers at the start of their shifts.

TICKETS

The problem of parking infringement tickets being issued to drivers was also discussed with the company. At times it is impossible

to do the job without parking illegally. The company response was if legal parking could not be obtained, report the problem to the company and proceed to the next job.

At a ratification meeting held on 2 April the Company's offer was accepted. It was stressed to do better in future a higher level of membership was needed.

Wage cut offer to give up penal rates!

Wellington City Transport has put an offer of an alternative flat rate to the union for members to consider.

At the last collective agreement negotiations it was agreed that the union and the company would discuss different payment options for the collective agreement during the term. In spite of three requests from the union the company failed to convene the working party. Instead they chose to negotiate flat rate agreements with four individuals who resigned from the union.

NO CONDITIONS

The IEAs negotiated contained a higher hourly rate than provided in the collective agreement but the IEA had none of the conditions enjoyed by union members. The company had given itself the right to create a roster for work at any time a bus operates 7 days a week. If this agreement operated across the workshop the company would be able to dramatically reduce its wage bill. Other conditions given up included

- One to two weeks additional annual leave

- One days sick leave
- Redundancy compensation
- Crib time and 10 minutes of paid rest break.

The union commenced legal proceedings against the company for breaching the CEA in negotiating the flat rate agreements. In mediation it was agreed that the working party would be convened to look at a proposal to create a flat rate option for union members. The CEA would contain a choice between flat rates and penal rates for union members.

The working party met in February and March. Everything was agreed but needed the company to specify what flat rate they would offer union members who retained the collective agreement conditions. On the 8th of May the company finally produced its flat rate proposal.

CONDITIONS = \$2.92

The company calculated that the conditions given up by those on IEAs were worth \$2.92 per hour on average. The company's offer was to deduct \$2.92 from the flat rate paid to those on IEAs. For

example, a Diesel Mechanic on an IEA flat rate was paid \$30.77 per hour. Minus \$2.92 gave a flat rate of \$27.85 per hour. That was offered by the company to diesel mechanics under the CEA.

PROBLEM

The only problem with this offer was, for some mechanics who were day workers, it was less than the current hourly rate provided by the collective agreement. And Diesel Mechanic shift workers earn considerably more than \$27.85 per hour. Their hourly rate is made up for example as follows:

- \$23.17 hourly rate after 5 years service
- \$0.73 ph for Trade Certificate or equivalent
- \$2.48 ph flexibility and conditions payment
- \$1.23 ph shift loading
- \$1.14 shift allowance.

The cumulative total is \$28.75, 90 cents per hour more than the flat rate the company is offering. The IEA flat rate provides less than is earned on penal rates after 6 hours of overtime has been worked. The average amount of overtime is 7 hours per week. As well as getting paid less on the IEA flat rate for the average amount of overtime payable under the CEA, those on the IEA have given up conditions worth \$2.92 per hour for the privilege.

For Shiftmen the flat rate offer is \$20.82. A shiftman who works 40 hours, including a Saturday, is paid \$891.38. On the flat rate they would get \$832.

The union wrote back to the company saying it needed to make a serious offer for a flat rate to union members covered by the CEA. The court case is proceeding.



Wellington City Transport workshop: for Shiftmen who recover breakdowns and park and maintain buses, the flat rate offer was less than would be earned working a 40 hour week that included one Saturday.

Solidarity, democracy, monopoly - union educational DVD launched

The annual conference marked Graeme Clarke's retirement from full time work and the showing of a 20 minute video for new members.

A function was held in the foyer of Wellington Trades Hall to mark both events in conjunction with the union's annual conference.

The union has long had a policy of making a video to educate members in trade union principles, and to show that collectively, if we stand up for ourselves, we can continue to improve our well-being.



Graeme Clarke thanks union members for their support



Current delegates and officials mingled with former motor industry union members at the function held in Trades Hall's foyer.

At a retirement function for Graeme Clarke the first cut of the video was shown to conference delegates and Graeme's invited guests.

The video features scenes from a lockout at Mitsubishi Motors in 1994 when the company tried but failed to cut sick leave entitlement. These scenes are interspersed with clips from some movies that explain union principles, and a speech by Graeme Clarke on the same subject.

It is intended that the video will be

available on the union's website.

Included among the guests at the retirement function were long standing motor industry delegates Mike Sinai and Jim Fogarty. Mike Sinai presented Graeme a picture of a picket at General Motors attached to two links of the Body Shop chain.

After a short break Graeme will work up to two days a week to support those taking over his duties. He told the meeting: "I'll make the ammunition, but it is over to you now to fire it."

New pulp and paper membership rule

Conference decided to register a membership rule covering pulp and paper workers employed at the Kinleith mill, if requested to do so by those workers. The conference heard a report that some pulp and paper workers at Kinleith had become dissatisfied with their representation by the EPMU. The workers want to take control over their employment representation rather than

have officials deciding what is best for them regardless of what they think.

The M&C Union is organised so that each section of the union collects its fees and has control over their finances. Paying the bills from their own funds gives union members more direct control over how they are represented.

This way of organising a union gave the Kinleith workers the control they were seeking while

being able to call on the resources of a larger organisation if required.

Each section of the union pays a small portion of its fees to fund the national union operations.

As M&C News goes to print meetings of Kinleith workers have requested their own membership rule, which excludes any overlap of the current membership rule for Kawerau.

Website to provide legal links for delegates

The union's website - MCWU - is to be developed as a one stop information source for union delegates.

The conference decided that the delegates page in the website should provide a one stop place for delegates to go if they want to get legal information.

The page is to be developed to provide a link to the various acts of parliament that affect employment. These can be accessed online and have their own search capability. Rather than having to know where to look the union website will supply the link.

NATIONAL OFFICE LINK

The page will also supply a link to the union's national office. This link will be able to be used to ask a legal question so that the delegate can get an opinion on an issue.

The delegates page will also contain links to cases that have been



heard in the Employment Court. Court decisions in cases that the union has taken will also be available. It was agreed that all Districts, Councils and affiliated unions would forward judgements to the National Office for inclusion.

Cases that the union loses (which unfortunately does happen) will also be forwarded to the National Office. The National Office will review these to advise whether there could be grounds for appeal.

Trades Hall policy

The union's annual conference discussed a report from the outgoing General Secretary of the union, Graeme Clarke, about the changes in the ownership of the Trades Hall.

The report discussed the earthquake strengthening work that is required to be completed by 2025, and the general upgrading of the building that was needed to recover from its state of decline. The cost of this work is estimated to be \$300,000 in total. Some can be funded out of the Trades Hall's rents, but \$100,000 will need to be

borrowed.

HIGHER RATE

The union's policy on this was that if any section of the union loaned funds to the Trades Hall the funds would be on-call and the rate would be 0.5% above the bank rate. This was considered to be a good win-win for the union and Trades Hall.

Trades Hall will save not having to borrow from a bank at a higher rate, and those sections of the union that lend to Trades Hall will get a higher rate of return than they currently do.

NEW GENERAL SECRETARY ELECTED

The elections for officers of the union saw George Larkins take over the role of General Secretary.

George is to be responsible for delegates training and the overall leadership of the union. He will be assisted to carry out the duties previously done by Graeme Clarke.

David Thomson will carry out national office coordination, and handle work at New Zealand Post and other Wellington jobs, principally Go Wellington and City Care. David previously was the PWUA organiser in Wellington.

Legal and administrative work will be carried out by Andrew Hamilton who will also be responsible for developing the union's website. Andrew is a immigration and refugee law advocate and was a law tutor at Victoria University. The other officers were re-elected.

Greg Hopkins, a boilermaker who works at CWF Hamilton in Christchurch was reelected as President, and Bruce Manley, a Moulder employed by ESCO in Otago was re-elected as Vice President.

Health & safety...

Employment Relations Act undermines worker safety

A 20 year old worker employed by Envirowaste, Junior Hunt, died in Wellington in March from a work accident.

He was working on a glass recycling truck picking up householders glass in Thorndon. Because he was working alone the circumstances of the accident were unclear.

COMMON TACTIC

The union has a limited number of members at Envirowaste. It tried to unionise the site and got to quite a high proportion of workers joining. The collective agreement negotiations proved difficult and money offers were made to individuals if they were not union members. This common employer tactic eventually succeeded in reducing the membership to 6 before a collective agreement was finally settled.

Junior was a newer employee and

had never been a union member.

The anti-union nature of New Zealand law prevented the union from properly organising the site. A well organised site will report unresolved safety issues to the union office. If the union office can't persuade the employer to fix the problem the union has in the past and will continue in the future to discuss the issue with members and to enable members to vote to refuse to do the work in dispute and keep safe.

RIGHTS STUFFED

The right of workers who belong to a union to collectively refuse to perform unsafe work is enshrined in the Employment Relations Act. The opportunity for workers to exercise this right is stuffed by the other provisions of the law which



The scene of the accident.

make it hard for a union to effectively organise a work site.

Rubbish collection and recycling was previously done by Wellington City Council employees. When WCC did it there were 3 workers to a truck. WCC contracted the work out to cut costs. Envirowaste, which wants to run at a profit, got the contract. Their work system has one worker on a truck. While that is not necessarily unsafe, according to members who had worked in both places, no one was ever injured fatally at WCC.

Drug test consent too wide

A dossier is being built up on New Zealand workers by the Drug Detection Agency (NZDDA).

The consent form used by NZDDA, the major provider of drug testing services to New Zealand employers, requires that the "donor" of a urine sample must give informed consent.

The "informed consent" is agreement to undergo a drug test or breath alcohol test. Further, consent is sought to "the results of the drug and or alcohol test(s) being

communicated confidentially to my employer/prospective employer... and any client/customer of my employer/prospective employer who requests that such results be provided to them."

SERIOUS MISCONDUCT

The consent form states that to refuse to sign and undergo a drug test may be regarded as serious misconduct.

The consent form enables NZDDA to keep the results of any test and to pass it on to virtually any-

one. While an employment agreement may dictate the a worker submits to a test there is no reason to consent to the results of the tests being made available as suggested in the NZDDA form. Personal information should not become freely available at the behest of an organisation established to make its owners a healthy profit.

Where it may be required by an employment agreement to undertake a test all of the form apart from the first line should be crossed out and initialed.

Employees can pay for their safety equipment - new health and safety regulations

With the new Health and Safety at Work bill making its way through Parliament, The Ministry of Business, Innovation, and Employment provided drafts of the Bill's regulations for comment. The Union responded with some of its concerns.

As part of the Working Safer initiative, which aims to reduce workplace deaths and injuries by 25% by 2020, the Government has introduced the Health and Safety at Work Bill. The bill is expected to become law in the second half of 2015.

While there is a new Act, the bulk of the rules will be in four regulations:

- General Risk and Workplace Management;
- Major Hazard Facilities;

- Asbestos, and
- Infringement Offences and Fees

EMPLOYEES PAY FOR PERSONAL SAFETY GEAR

A regulation that the Union takes strong exception to allows employees to provide their own personal safety equipment for reasons of comfort or convenience.

While this may be seen as providing choice, given the inherent power balance in the employer-employee relationship it is an easy way for the employer to pass the cost and the risk to the employee. There are going to be penalties under the new regulations mainly relating to maintaining and using



personal safety equipment.

The Union commented that this was unfair and that much stronger protections are required to prevent employers from abusing this regulation. The regulation has nothing to do with the objectives of the new laws and feels merely like a way to appease employers.

WHO PROVIDES EXPOSURE, HEALTH MONITORING?

The other main regulation that the Union opposed in part concerns who monitors exposure to hazardous substances and who monitors employees' health.

The regulations only say that exposure monitoring has to be carried out by a competent person. The Union feels that this definition is vague. Instead, a registered medical practitioner, with experience in monitoring, should carry out exposure monitoring.

For health monitoring, the Union has concerns about who recommends and supervises health monitoring. The regulations allow an Occupational Health Professional to perform these tasks; however,

it would be more appropriate if a registered medical practitioner carried them out.

These regulations also have little regard for the Health and Disability Commissioner's Code of Rights for consumers. This is because the regulations only allow the employer in consultation with the employee to choose who supervises health monitoring.

The Union feels only the employee should be involved in making this choice.

Again, these aspects of the new regulations have no bearing on the purpose of improving workplace safety. They merely act as ways for employers to reduce costs.



The Union wants exposure and health monitoring to be carried out by a practitioner registered with the New Zealand Medical Council

Manufacturing & Construction Workers Union Canterbury District Annual General Meeting

The annual general meeting of the Canterbury District of the union will be held on Friday 28 August 2015

- 9.00am for Scotts Engineering members
- 1.30pm for all members (except Scotts Engineering) at the Opawa Bowling Club 81 Opawa Road.

Agenda

1. Minutes of the 2014 AGM
2. Secretary's Report
3. Presentation of audited annual financial statements
4. Elections of officers
 - President
 - Vice President
 - Secretary
 - Boilermakers industry representative
 - Shipwrights industry representative
 - Engine Drivers industry representative
 - Engineers industry representative
 - Two trustees
5. General Business.

Phil Yarrall
District Secretary

LEAK SHOWS PROTEST IGNORED

Continued from page 15

consistent with the chapter of the Agreement!

Such flaws should be fatal to the deal, especially when US corporations are responsible for more investment disputes than any other country.

RESISTANCE

The litany of recent cases, seeking hundreds of millions of dollars compensation, has produced a groundswell of resistance to investor-state dispute settlement (ISDS).

The Government and its negotiators know these investment chap-

ters, especially ISDS, are facing a crisis of legitimacy. But nothing has been done to rein in the adventurism of arbitrators who pass judgment on vital matters of public policy. There is no code of conduct for arbitrators to address conflicts of interest arising when investment lawyers also act as the judges in investment disputes. There is no appeal.

The leaked text underscores again the anti-democratic essence of the TPPA negotiations. Not only are negotiations secret, but the agreement puts handcuffs on future central and local governments for the indefinite future without people or Parliament having an effective say.

THE
UNION STARTS
WITH
YOU!



ATTEND!

Introduction of Alternate Day Delivery Set For 1 July

New Zealand Post intends to introduce Alternate Day Delivery (ADD) from July 1 despite disagreement from the Postal Workers Union of Aotearoa (PWUA) as to the sense of introducing ADD nationwide on that date.

The PWUA has stated that Postal Branches with strong mail volumes should retain 6 day delivery or move to 5 day delivery (Monday to Friday) delivery. The PWUA has argued that any decision to reduce the delivery frequency should be made branch by branch, according to each branch's mail volumes. Only those branches where volumes have dropped markedly should move to ADD on July 1.

GRADUAL CHANGE REQUIRED

Given the company's determination to change all urban branches to ADD the PWUA has argued that the branches should be changed over one branch at a time, not all at the same time. This is the process that was followed with the Postie



Outside time standards are being examined. The union pressing for greater accuracy has had results with time for registered mail and for processing overflow bags improving.

Pay Model (PPM), and it enabled each branch to be fully prepared and supported over the change period.

Over the last month PWUA officials have been attending meetings at branches across the country in conjunction with NZ Post management to support members and answer questions on the upcoming change to ADD and the impact it will have on staffing numbers. Overall the number of redundancies announced has been smaller than expected. The PWUA believes that this is due to the high number of temporary workers employed and that NZ Post has been operating in breach of section N8 of the current Collective Agreement. Post has not been ensuring that employment levels of permanent employees are being maintained to provide roster plan hours equal to the average calculated mail volume and piece rates plus an allowance for leave relief that is consistent with employees expectations of additional hours as the CEA requires.

WAGE IMPLICATIONS

The change to alternate day delivery has implications for wages that are still being discussed and argued with the company.

Posties are paid for the amount of measured work they do. Their payment is based on work measurement.

When the work is changed the work measurement must be updated to reflect any change to the work process.

WORK MEASUREMENT

For example, when mail is sorted over two days, on the second day the sorting case is already full and it takes longer to put letters into the slot. This change of work process needs to be reflected in the sorting times.

Some issues have already been remeasured. These include delivering registered mail, delivery to the door, and unpacking overflow bags. More time is to be allocated for registered items than the current 82 seconds. More time will also be allocated for overflow bags and a couple less for delivery to the door.

Where there are a lot of long drive ways on a round it was accepted that additional room may have to be agreed locally.

Work measurement will continue to be discussed right up to the change to ADD and after to ensure that Posties get paid correctly.



Second day sort times should change

International news...

Employer campaign halted

Employers' groups around the world have been challenging the right to strike because it is not explicitly expressed in International Labour Organisation (ILO) Convention 87, even though for years it has been universally accepted by governments, workers and employers alike.

This has meant that cases of serious labour violations in many countries have been left unaddressed by the ILO.

GLOBAL PROTEST

Earlier in the year a breakthrough agreement was reached recognising the right to strike and a statement was issued. The statement followed a successful global protest day in defence of the right to strike by global unions on 18 February, involving more than 100 actions in over 60 countries, includ-

ing IndustriALL Global Union affiliates.

PRESSURE

The protests were designed to put pressure on both governments and employers at the ILO. In Geneva, IndustriALL Global Union together with sister global unions BWI, IUF, PSI and UNI, representing collectively over 100 million workers, delivered letters to the missions and representations of the countries where workers' right to strike is challenged or not supported. One of them is Turkey, where recently IndustriALL affiliate Birlesik Metal Is has faced a ban on its metal industry strike under the argument that it is "prejudicial to national security".

The joint union delegation also visited Angolan and Indian missions and delivered letters demanding that governments of these countries "immediately support the global right to strike and end their opposition in the ILO

Governing Body to referral of the dispute over this matter to the International Court of Justice."

When addressing the gathering in front of the Mission of Angola, Kemal Özkan, IndustriALL Assistant General Secretary said, "We will never give up, we will continue to struggle, since without our right to strike we can't make sure our goal is achieved for everyone to live in equality. Hands off our right to strike!"

Significantly, the government group of the ILO, which had previously been split on the issue of the right to strike, strongly endorsed the right to strike at the February meeting. In a statement to the discussions it said:

RIGHT TO STRIKE

"The Government Group recognizes that the right to strike is linked to freedom of association, which is a fundamental principle and right at work of the ILO. The Government Group specifically recognizes that without protecting a right to strike, Freedom of Association, in particular the right to organize activities for the purpose of promoting and protecting workers' interests, cannot be fully realized."

However, the battle is not over. In addition to waiting for the ILO Governing Body to approve the statement, national laws in many countries pose major restrictions to the right to strike, while allowing employers to declare lockouts in conflict situations.

The ILO governing body met in March and endorsed the agreement on the right to strike.



Trade unionist demonstrating in a global campaign against employer moves to take the right to strike out of ILO conventions

Total sells Bostik

Arkema, a global chemical company and France's leading chemicals producer, has bought adhesive company Bostik from the French oil producer Total.

Bostik has a small manufacturing sites in Wellington and Auckland. The union has members in Wellington.

50 COUNTRIES

Arkema, with operations in close to 50 countries, now employs some 19,000 employees and has research centers in North America, France and Asia, and an annu-

Arkema reinforces its position in specialty chemicals and further develops its High Performance Materials segment. Bostik, which will constitute a new business unit, has around €1.5 billion sales with 4,900 employees, is 20 - 25% of Arkema's combined business.

GROWTH PLATFORM

The CEO of Arkema welcomed the acquisition of Bostik saying it represented a promising "growth platform for the future".

In a steadily growing adhesives market, Bostik will enable Arkema to continue strengthening its profile as well as its resilience to changes of the economic environment.

The financing of the takeover was finalized early 2015 with a €700 million bond issue with a 1.5% cou-



The world is our inspiration

al revenue of some €7.6 billion. Arkema holds leadership positions in all its markets with a portfolio of internationally recognized brands. With the acquisition of Bostik,

pon. It remains to be seen whether Arkema will reverse the steady decline of Bostik's manufacturing in New Zealand overseen by Total.

Leak shows protest ignored

Wikileaks posted a near-ready investment chapter of the Trans Pacific Partnership Agreement (TPPA) at the end of March dated January 20.

It shows the Government has not listened to New Zealanders opposing special rights for foreign investors.

Nor has it protected the New Zealand Government's right to regulate from being attacked by foreign investors and from rogue interpretations by investment arbitration

tribunals, as promised.

The text shows there is no agreement on restricting capital flows in a financial crisis; the choice is between a weak exception and a meaningless one.

NO EXCEPTIONS

There are no effective exceptions for public policy areas like health, the environment or culture.

Instead, the text recognises the right to regulate for those matters where the Government's action is

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"It's the same the whole world over..."

German manufacturing union IG Metall secured a 3.4% pay rise for the next 12 months for 800,000 of its members. The agreement, the basis for bargaining for 3.7 million workers, was won after nation-wide warning strikes by 850,000 union members. The agreement also introduces enhanced early retirement for production workers.

GLOBAL AGREEMENT

Thyssen Krupp, a German transnational company operating in 80 countries with 150,000 employees has signed a Global Framework Agreement with Industriall. The agreement commits the company to abide by International Labour Organisation conventions as well as paying reasonable pay and unreasonable work hours.

SPRING OFFENSIVE

Japanese unions spring offensive, which sets the "going rate" for pay increases, saw a 2% increase being agreed. With the Japanese CPI showing falling prices this is a good pay increase that unions hope will help reverse the country's long term economic malaise.

MINIMUM WAGE

The Indonesian government's proposal to adjust the minimum wage only every 5 years has drawn opposition from unions. Minimum wages are set regionally with some regions having amongst the lowest wages in Asia

Employment Court sets aside “correct in law” but unfair ERA determination

A recent Employment Court decision highlights the importance of oral promises in an employment contract.

The Employment Court has granted member Weeraphong Harris an entitlement to have non-taxable transport, laundry, and tool allowances included in leave pay calculations. The decision sets aside an Employment Relations Authority determination that these allowances are not part of an employee's salary.

TWO IDENTICAL CEAS

Weeraphong had brought a personal grievance against TSNZ Pulp and Paper Maintenance Limited (TSNZ) after they took over maintenance at the Carter Holt Harvey Tasman Ltd (CHHTL) Pulp & Paper Mill at Kawerau.

His previous employer was ABB Limited (ABB). ABB had a collective agreement with the Union that they interpreted as requiring them to include the non-taxable allowances in leave pay calculations.

When TSNZ took over, the Union began bargaining for a collective agreement but they failed to agree in time for TSNZ's takeover. TSNZ then offered employees individual agreements that were identical to the previous and proposed collective agreements. Prior to this, they

also said to employees that the TSNZ ABB changeover would not adversely affect them.

However, TSNZ interpreted the collective agreement as not requiring them to include non-taxable allowances in leave pay calculations. This meant that Weeraphong and the other workers would actually be worse off under TSNZ.

EMPLOYMENT

COURT DECISION

Reviewing the previous collective agreement with ABB, the judge decided that although the ABB and TSNZ collective agreements were materially identical in words, TSNZ could interpret and apply the agreement as excluding non-taxable allowances. However, in this particular situation they cannot because they had already told employees they would not be worse off.

This is estoppel. It is part of the rules of Equity, which can supersede any employment contract. Essentially, it means a person cannot go back on a promise when the result of doing so would be unfair. Weeraphong accepted TSNZ's offer of employment because of their promise that employment terms and conditions would not



Mill at Kawerau

change. The judge decided that it was now unconscionable to allow TSNZ to interpret the agreement in a way that was detrimental to Weeraphong by reducing his pay. TSNZ had created this situation by failing to investigate how ABB did things before taking over the maintenance at Pulp & Paper Mill at Kawerau.

EMPLOYMENT AGREEMENT POWER

While the Union has often relied on the words of an employment agreement to uphold members' rights against their employers, this case is a reminder that the rules of equity can override the express words of an employment agreement. It also demonstrates the power of pre-contract promises by employers.

Issue number 104 of “*M & C Workers News*” was prepared by the National Office of the Manufacturing & Construction Workers Union.

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