



M&C Workers News

JOURNAL OF THE MANUFACTURING & CONSTRUCTION WORKERS UNION

We give, they take: TPPA says Kiwi workers will lose



The information now released about the Trans Pacific Partnership Agreement reveals that it is against the interests of working people in the participating countries, including New Zealand. It is simply a shrinking of people's democratic control of their own lives in the interest of securing corporate profits. We give, they take.

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Go Wellington is forced to make a new commitment about any proposed change to work practices.

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Hyundai Heavy Industries, the world's largest ship builder, disregards the safety of subcontractors



Tranzit tries to punish union drivers for going to court

Tranzit is trying to punish union members who took a successful claim to the Employment Court about payment for annual leave.

Tranzit refused to pay for public holidays over the Christmas period or pay four weeks annual leave to school bus drivers. Their grounds were, because the drivers didn't work school holidays, the workers had not completed the years service needed to qualify for annual leave.

TWO WEEKS SHORTFALL

Instead Tranzit chose to pay 8% of the previous years earnings, a shortfall of about two weeks pay. Having paid 8% they then set the leave clock back to zero. This meant that no school bus driver would ever qualify for annual leave on pay.

In July the Employment Court found that Tranzit was wrong, that the union members had been denied annual leave on pay incor-

rectly. The judge ruled "it is not appropriate to make the compliance order sought in the statement of claim" as one of the workers had left Tranzit, but that the union members had been improperly denied their annual leave. It was left to the lawyers to sort out what should happen.

\$500 FOR 4 WEEKS

Tranzit didn't like this decision and instructed one of the union members, Paul Morgan, to take 4 weeks annual leave in November. Tranzit said it would pay annual leave minus the 8% already paid, a total deduction of \$1451.92. This meant that payment for the 4 annual leave weeks would be only about \$500.

The union twice wrote to the company requesting that the difference between the 4 weeks leave on pay plus 5 public holidays, and the 8% already paid, be paid to the union members, a sum of about \$950.

The company failed to reply to the union request, or discuss any difference they may have had with it.

Instead they tried to exact a punishment of 4 weeks off work while paying only a quarter of the wages. Tranzit's move breaches common law with regard to recovery of overpayments. If a worker has been overpaid by mistake (this is what Tranzit now says the 8% was), the employer can only recover it if they can show that

- the money was paid by mistake
- the money was not received in good faith
- the recipient has the ability to repay.

RECOVERY NOT AUTOMATIC

When a worker is overpaid, and is not aware of the mistake, and has spent the money received, an employer will find it difficult to get the court to order that it be repaid. Tranzit is certainly not entitled to take the money back in the manner that it is now trying.

The union has instructed that this matter be referred back to the court. The original decision provided for this in the event that either party was unreasonable.

From the work front...

Dispute over varying hours of work settled at WCT

The Union recently settled a dispute involving member Ian George's hours of work being unilaterally varied by Wellington City Transport (GO Wellington)

When GO Wellington hired Ian George they breached the collective agreement by hiring someone on less than 40 hours a week

TEMP TO PERMANENT

Ian began at GO Wellington as a temporary employee through Allied Workforce. It was a breach of the collective agreement to hire temporary employees without discussing the issue at a working party with the Union.

Eventually Ian was employed on a permanent contract of two 12-hour days. Before and after receiving both the temporary and permanent position Ian told the company that he could only work Tuesday and Wednesday. WCT agreed and told him they needed him to cover the pm shift.

The effect of Ian's arrangement in the context of the collective agreement was that 4 hours per day would be paid as overtime. This was in the company's best interests at the time because it was behind on maintenance and desperately needed more mechanics. However, as work began to decrease the company thought they had an opportunity to save itself some money telling Ian that his hours would now be three 8-hour days. This would save the company money on overtime.

Ian was a shift worker. The company could not change his hours as shift times were fixed. The company countered that Ian was a day worker and that it would be unreasonable to refuse. The union said it was very reasonable to refuse to work 3 days if you had told your employer you could only work 2 days per week.

Ian also had an additional claim, which was that he was not being paid correctly. As a shift worker he was entitled to allowances that the company was only paying sporadically if at all. Bringing this issue to management was what put them on notice that they should change his hours to save a few dollars.

LEGAL ACTION NEEDED

As the matter could not be solved between the parties through mediation, the Union filed proceedings in the Employment Relations Authority.

With the date of the investigation meeting fast approaching a further mediation was ordered by the Authority. When mediation eventually

took place the true strengths of Ian and the union's case became evident. As a consequence the matter was settled.

SETTLEMENT

The details of the settlement are confidential but satisfied Ian and the union. However, in the settlement the company agreed to do better in future making the following commitment:

"(The company) wishes to place on record that it understands the binding nature of the collective employment agreement... In this regard it undertakes to work in good faith with the Union and will, where it seeks to alter any work practice which may be covered by or impacted by the CEA, consult with the Union prior to taking any action that could potentially be in breach of the CEA."

This was yet another case of the GO Wellington ignoring the collective agreement and just doing what they wanted. Such short sighted decisions have cost the company in the past and will likely continue to cost them in the future.

Price increases remain at low levels

Prices continue to rise slowly. For the three months ended 30 September the Consumer Price Index rose 0.3%. For the September year the CPI rose 0.4%. Factors in the low rate of price rises in the September quarter were the drop in vehicle relicensing fees by 24%. The main contributor to price rises in the

quarter were higher vegetable prices, up 14%, and local authority rates, up 5.7% on average.

For the year lower petrol prices were a major downward factor. Housing, both new a rental, rates and cigarettes were the main contributors to the annual price increase.

Collective agreement negotiations...

Securing employment objective at Norske Skog

Negotiations with Norske Skog concluded a new collective agreement for union members at the Kawerau paper mill.

A three year collective employment agreement was ratified by members and signed by the Pulp and Paper Industry Council with Norske Skog. This agreement was for the Paper Machines, ERS and Millwide Services.

JOBS MAIN ISSUE

The main issue heading into negotiations was employment. In recent years the company shut down the oldest paper machine, and then a second. This left only one paper machine still operating. The union wanted to ensure that the one re-



Norske Skog: Only one paper machine remains

maining paper machine continued into the future.

The main points in the CEA settlement were:

- 1% average increase in remuneration per year;
- Protection of existing employment numbers; and,

- An increase of two in employment numbers.

Since the major dispute about employment numbers in 1986 the union has successfully established the right to specify in employment agreements the number of union members to be employed.

City Care collective agreement renewed with 1.7% increase

At the recent negotiations with City Care the company did not present any claims. The Unions, AWUNZ, E tu and ourselves, presented 22 claims.

The claims included a 10% increase in wages and also a for increases in allowances that are currently paid.

COMPETITIVE

The company said at the beginning of the negotiations that they were operating in a very competitive market with a number of other company's tendering for the same work as City Care. This they said constrained what the company

could do.

Other Union claims included:

- the provision of facilities for Wellington employees, the introduction of trauma recovery insurance for employees,
- GPS to be removed from all vehicles, and
- overtime to be paid at time and a half after 40 hours worked.

The issue of facilities for Wellington employees will be the subject of a conference call facilitated by the Employment Relations Authority between the company and the union. The case looks likely to end up in the Authority.

With the company emphasizing how competitive the market is, it was always going to be hard work

getting increases in allowances and an wage increase close to the 10% the members claimed.

ACCEPTED

At a ratification meeting held with all members, the company's offer for an increase of 1.7% on all paid and printed rates and allowances, and the option for employees to participate in the Group Trauma Insurance scheme were accepted. Also entered into the Terms of Settlement was the company's intention to advise all parties once the Ministry of Business, Innovation and Employment have confirmed revived guidelines for Asbestos. City Care will then be in a position to advise on baseline testing for employees.

Industrial action needed at Asaleo Care to get wage rise agreed

Union members at Asaleo Care's soft tissue mill in Kawerau settled a new collective agreement after industrial action was taken.

The industrial action included withholding overtime, 8 hour stoppages and stop work meetings. The industrial action helped to secure the terms that were ultimately ratified.

5.8% RISE OVER 3 YEARS

The new collective agreement has a three year term. The general level of wage increase was

- first year 2.5%
- second year 2%, and
- third year 1.2%

The increase in wages was back dated to 06 January 2015.

A higher wage increase was agreed for certain sections of the mill - PN2 and PN3. These sections got

3%, for the first year, 2.5% for the second and 1.7% for the third. The higher level of wage increase recognised that the union members in these sections had taken up extra work as a result of lower staff

numbers through non-replacement of staff who left the company.

The settlement of the collective agreement also includes a guaranteed number of full time staff to be employed in the mill.



Asaleo Care's agreement now includes a guaranteed staff level

Winstone Wallboards offer a 4.5% wage rise for two years

The trend of lower employer wage increase offers in collective agreement negotiations has also hit Christchurch with employers opening offers now below 2%.

An example of this was the bargaining for the Winstone Wallboards agreement. The agreement was eventually settled for a two year term with an increase of 2% for the first year and a further increase of 2.5% for the second year. Winstone Wallboards employs over 40 people at its Christchurch factory.

There are currently only 4 union

members at Winstones. Better settlements were obtained when half the staff belonged to the union.

TURNOVER

However, as staff turned over they were replaced by temps and permanent workers were engaged on the 90 day fire at will law ushered in by the current government. This has made new workers reluctant to join the union for fear of losing their job which in turn makes it difficult



Winstone Wallboards

to improve wages and conditions in the collective agreement.

New flat rate proposal at WCT

As part of the maneuvering around a case before the Employment Relations Authority, Wellington City Transport wrote to the union saying a flat wage rate offer for union members it had made in May remained open.

This meant that union members could give up penal rates while retaining the conditions of employment in the CEA for a higher flat rate.

The union responded to this letter pointing out that the company's flat rate offer to union members was in fact a wage cut for all shift workers. It was only an increase for day workers.

FLAT RATE PAY CUT

For example, the company says the average hourly pay for time worked by the median Garage Service Worker (Shiftman) in 2014 was \$23.67 per hour. If they went onto the company flat rate on its CEA offer they would get \$20.82 per hour. Even if they were to abandon the union and the collective agreement and sell all their conditions they would only get \$23.74 per hour. This rate is less

than what half the Shiftmen already get and is only 7 cents per hour above the median average pay rate in 2014.

The company was asked if it had a lawful and serious proposal for a flat rate under the CEA. An offer that was below the current pay rate would be unlawful for the union to accept.

NO RESPONSE

Wellington City Transport has failed to respond to this letter. Maybe their lawyer didn't understand it.

The company has made great play that the union won't sell conditions. Those who went onto IEAs sold conditions that the company valued at \$2.92 per hour. Their flat rates are topped up by this amount over and above the company proposal for union members. The items sold included redundancy compensation, extra annual leave and rest breaks. However, those items were not the main condition sold.

Those who went onto IEAs sold the hours of work provision in the CEA and got nothing for it. The IEA says that they can be rostered by the company to work any time a bus operates, Monday to Sunday,

5.30am to 1.30am. If this condition covered half of the employees in the workshop the company would be able to allocate work that must be done in the week end and outside of ordinary day hours to those on flat rates as part of their normal 40 hour week. This would considerably reduce the earnings of those on penal rates. It would reduce the company's wage bill, their main objective it seems.

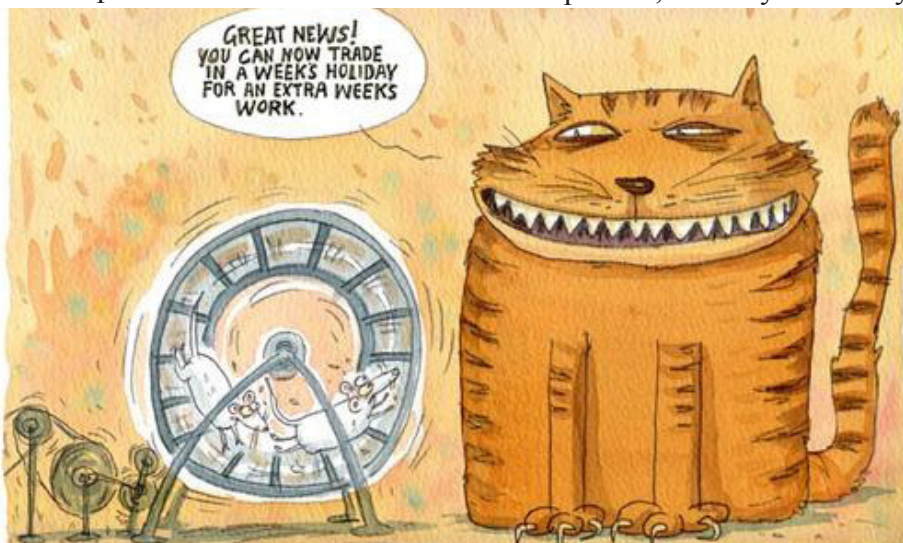
When the company failed to respond to the union's letter a further letter was sent detailing a further flat rate proposal.

The letter proposed that the flat rate for day workers would be 7% on top of the current pay rate (wages+qualifications+flexibility) for day workers, 16.5% for am shift workers, and 21.5% for pm shift workers.

FURTHER TERM

A further term was proposed in the latest letter for any union member wanting a flat rate. This provided that an individual member could pick any condition that they wished to sell and have its cashed up value added to their hourly rate. For example, if they wanted to give up the right to redundancy compensation they could have a further \$1.274 per hour added to their flat rate.

As long as everyone covered by the collective is getting the actual condition, or its cashed up equivalent, every union member's interest remains in keeping the conditions. This doesn't harm any other union member. However, there is no proposal to sell the hours of work clause that those on the IEA have sold. It is this provision that maintains the level of earnings of all workshop employees as long as it covers the overwhelming majority.



Recycler pay rates now above minimum

The Freemantle collective agreement was finally signed off in October after months of negotiation. The company is a rubbish recycler working for Full Circle and Wellington City Council.

The difficulty bargaining with subbies is that the Union bargains with the subcontractor who in turn submits our members claims to the contractor. The contractor in turn negotiates with the Council.

This makes for a very long drawn out process. The Union and delegates are not given the opportunity to speak to the claims with the second and third parties. This is frustrating to say the least, especially for the delegates and members.

When the minimum adult wage went to \$14.75 Freemantle applied the increase accordingly on 1st April 2015. That was the only increase applied.

MORE WANTED

This did not sit well with members as it meant those who were already on \$14.75 got a zero increase.

The Union was duly instructed by the membership to go back to the table with the following claims for the collective agreement renewal:

- Wage Increase \$15.00 per hour minimum wage rate;
- All allowances to be inserted into the CEA for transparency;
- A new Clause that binds the contractor to lift hourly rates of employees at the site should the Council require contractors to pay the minimum living wage.

The last claim refers to the vote by Wellington City Council to pay the minimum living wage to all em-

ployees of contractors. The WCC is being taken to Court by the Wellington Chamber of Commerce to stop it from applying this policy which has been promoted by the Living Wage Campaign (driven by community, Church groups, and Unions).

ALL AGREED

All claims have been agreed to in the negotiations.

- The wage increase will take effect as of 1st November 2015. This will mean some employees will have received two increases for the year.
- Supervisor Days \$1.50 per hour
- Supervisor Night \$2.50 per hour
- Fork Lift Driver \$0.50c per hour
- Baler \$1.00 per hour
- Security \$1.00 per hour
- Higher Responsibility \$2.00 per hour

This was a small win for these hard working members but one they can be proud of.



Collective agreement briefs...

Collective agreement negotiations for Upper Hutt plastics manufacturer Acma produced a two year agreement with wage increases of 2% for the first year and 1.85% for the second year. This was ratified.

HUTT & CITY

The majority of Hutt and City Taxi call centre members ratified a new collective agreement for one year. The wage increase was 50 cents per hour, on printed rates only. Also agreed were safe exist provisions for staff, overtime to be paid on completion of a shift at time and a half, and a paid day off for a birthday that falls during rostered work time.

WELLINGTON COMBINED TAXIS

The call centre agreement was ratified with a 1.75% increase in wages for a one year term. In combined Finance it was agreed to hold a performance review in October and thereafter every six months. There was no offer from the employer on a claim for penal rates for overtime.

RANGATIKEI

Union members employed by Rangatikei Aggregates in Manawatu got an average 1.7% wage increase for the year after bargaining was completed.

TPPA: Foreign investors control over NZ increased

The Trans-Pacific Partnership Agreement was signed by New Zealand representatives along with those of 11 other countries when they reached a deal a couple of months ago.

The text of the agreement was not immediately released. The government told New Zealanders that we have to sign up and assured us that it is in our best interests to do so. 30,000 pages of the agreement is were released in November after the government's failure to release information requested by anti-TPPA organisations was ruled to be illegal in the High Court.

TPPA GOES FURTHER

TPPA is a trade deal in name only. It does have many aspects of the average trade agreement, but this one goes a lot further and sets up worrying constraints on how each country manages their domestic regulation.

All of the negotiations on the deal were secret but leaked documents have shown that within the agreement there are clauses that will allow overseas companies to sue the New Zealand government. One in particular – the investor state



dispute settlement - gives special legal rights to foreign investors to sue our government (or any future government) if New Zealand law is changed in a way they think undermines their profits.

If, for example, New Zealand wanted to introduce better legislation to clean up our rivers, limit the amount of waste we produce or reduce pollution, the TPPA will allow investors to challenge these decisions. This happens in offshore private tribunals with no public accountability. Potentially the tribunal could require compensation from the New Zealand taxpayer.

WIDESPREAD EFFECTS

In this way the TPPA would seriously hinder our ability to manage our own affairs. It is not just environmental regulation that would be impacted. The TPPA's tentacles also extend to things like workers' rights, health care and intellectual property.

If there is a change to employment law that adversely affects a foreign investor, they can seek compensation. For example, when the film the Hobbit was made New Zealand employment law was changed to rule out union rights for the workers employed making the films. If a subsequent government had changed this law and the TPPA applied, taxpayer would be liable for compensation if the workers got higher wages and this reduced the movies company's profits.

ON THE LINE

In short our democracy and self determination are all on the line.

The TPPA will not become a final deal that binds New Zealand until February next year. Thousands of New Zealanders took part in 17 demonstrations around the country urging the government not to ratify the agreement on November 14. The demonstrations endorsed a series of citizens' demands to push the government to accept (see details opposite).



Medicine will cost more

In its current form the TPPA will affect the cost of medicine, it has been confirmed.

About 33% of medicines used in New Zealand are generics. These are medicines that copy the original drugs, and are much cheaper to buy. A generic medicine can only be sold when the patent for the original runs out. Patents that stop the copying of drugs by generic manufacturers are to be made longer under the TPPA.

NOTIFICATION

When New Zealand wants to use a new generic the TPPA says we will have to notify the patent holder ahead of time to allow them to get an injunction to stop the generic if they wish. A court will then decide

whether the generic breaches the patent right of the original drug manufacturer.

DELAY

The injunction process could delay the introduction of generic medicine by three years, thereby keeping the cost of medicine higher than it needs to be. Coupled with the agreed longer life of patents this will significantly increase the price of medicine in New Zealand.

The government says that the increase won't be that large, and it will simply increase the health budget so Kiwis will not notice the change. From past experience this



Big drug companies will get higher prices for longer by keeping generics out

will be at best a temporary move until the government decides to pass the cost on.

We give, they take

Between now and the sign off date in February we can expect a barrage of government assurances that we should be happy with what they have done.

First, they will say, "there is no alternative".

This mantra has been put out by governments since the 1980s to justify changes that have enriched the few at the expense of the many.

Second, they will say, we will ensure that the government covers the cost of the bad bits, like medicine costs.

But the government is required to balance the books. So either they will increase taxes from us to pay, or they will cut expenditure on us elsewhere to pay. Either way we will pay.

The government can't tell us why the loss of control over our own country and its resources is good for us. They will just say "trust us", that won't happen.

We can't trust them!

TPPA: Citizens' demands

The Government has no democratic mandate to sign away our democratic powers in the TPPA. Before it takes any steps towards signing the agreement, the Government shall:

- *undertake independent human rights, health, environmental and climate change impact assessments of the potential effects of the TPPA on the people and land of New Zealand, and make this information publicly available.*
- *support Local Government New Zealand to undertake an independent assessment of the impacts on local government of the TPPA and consult fully with local government.*
- *fully engage with its Treaty of Waitangi partners to hear and address their concerns about the TPPA and refer the text and any proposed legislation to the Waitangi Tribunal to conduct a full risk assessment of impacts on tangata whenua; iwi and hapū.*
- *withdraw its consent to the secrecy pact among the twelve TPPA countries and release all background documentation relating to the negotiations.*
- *initiate a full public and parliamentary debate on the TPPA, including Select Committee hearings with public consultation, and put the TPPA to a public referendum.*

We will continue to mobilise New Zealand citizens in opposition to the TPPA until our demands have been met.

Health & Safety...

Random urine test refused

The Union promotes safe and healthy work sites and does not support the use of drugs and alcohol at work.

Accordingly, in September of 2015 Viridian Glass met with the Union following a complaint from staff about alleged impairment at work as a result of drug use. This followed a failed attempt by the company to take matters into its own hands by randomly testing using urine sampling.

A drug and alcohol policy was discussed at the 2014 CA negotiations. There was agreement that a committee be formed including site delegate Michael Renata to develop a draft policy. The Union continued to ask when the committee might be formed and for a draft policy. No draft was received.

When the company attempted random testing members refused to provide a urine sample. However, the company was told at the time that members would be happy to provide saliva samples. The urine tests did not occur and the company did not take up on the offer of a saliva test.

FAIR POLICY

Union members support a fair policy that effectively deals with the issue of impairment by drugs or alcohol. On the basis that urine sampling is not effective in detecting current impairment, rather indicating historic use, the Union advised the company that members would support a policy that had saliva sampling as the first test. There was some initial resistance to this but in the interim it

was agreed that any initial test prior to a policy being in place would be a saliva test.

The company finally sent a draft "Fit For Duty" policy. The Policy included urine sampling only and suspension without pay. The union proposed changes to the policy ahead of the meeting including saliva testing and questioned the fairness and legality of suspending without pay pending a clear sample. This can take up to 50 days.

At a further meeting in November the company had a representative from NZDDA present to provide the group with "expert advice". But the NZDDA rep seemed to be there to promote urine testing only. The issue of whether or not a pos-

Continued opposite

Medical kits low on supplies and ambulance too busy to help

A serious harm injury occurred at Viridian Glass after the Labour weekend break. Whilst working on the Rough Arriss line a worker with 9 years experience was seriously injured.

The injury has taught all workers, long term and new recruits, to respect the glass we handle. This was a case of wrong place wrong time, an unfortunate reality of working in the glass industry. Because glass is heavy and sharp any injury caused by an accident can be serious. Health and safety is a major part of Viridian Glass though this injury was absolutely non-preventable.

At the time of the injury the ap-

propriate first aid was given by staff members on site. It was unfortunate our first aid kits were not stocked to deliver serious trauma first aid. This has since been rectified and with the trauma kit accessible and all first aid kits stocked to the brim with supplies.

TOO BUSY TO RESPOND

The ambulance was called and after waiting 20 minutes the paramedic phoned and asked for the employee to be driven to the hospital as they were too busy to complete the call out!

The employee had surgery the next day to internally stitch his bicep together. He was discharged that afternoon and is now going through

his recovery period. Luckily he missed tendons in his arm so the recovery period is much shorter. He is back to work on light duties, partaking in production planning, training and various other tasks such as computer type work that do not require lifting.

Michael Renata
Site delegate



Glass is sharp!

that utilised saliva as the first test would get union support. If the company wants to have a policy that effectively deals with impairment at work from drugs and alcohol it needs members to buy in and support the policy, the union said.

SUPPORT

There was general agreement about the need for the company to offer help to anyone who might self-admit to having a drug or alcohol problem or for first occasions from random testing.

At the time of writing there has been no final draft proposed and the union is waiting for the company to make contact for a further meeting which the union has requested. Meanwhile the union advises anyone using drugs at work to stop and think about the possible consequences and not to do it.



The union supports the use of saliva testing to detect impairment

itive test for THC via urinalysis can legally be used to demonstrate impairment was not addressed. A urine sample can show levels of THC from Marijuana in the system for up to 50 days from 4 hours after use, whereas a saliva test will be able to detect if marijuana has been used within the last 5 hours, but no longer.

Recent use is the issue. Urine sampling is more about social

engineering than detecting use at work. The NZDDA rep seemed to be there to promote their business with its urine analysis approach. Utilising urine sampling only as a first test could also have the effect of steering otherwise causal users of marijuana to other drugs that are out of the system within 24 hours but which are far more harmful, the union said.

The company was advised a policy

Union regrets another Dunedin closure

Hot on the heels of Hill-side Workshops, NZ Wood Moulding and others, the long serving industrial foundry Esco has closed.

Prospectively further jobs will disappear as Dunedin's industrial area is further whittled down.

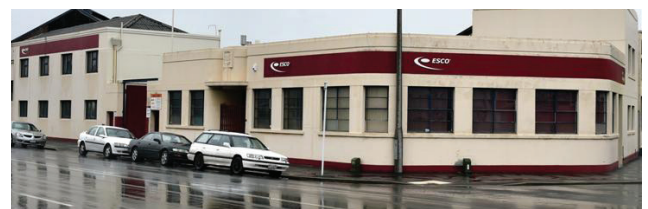
Stephen Scandrett for the Manufacturing & Construction Union said that another closure in Dunedin of blue collar jobs is devastating. Scandrett said "It's great to have stadiums and apartments but part of that gain can be attributed to further blue collar industry based job losses in Dunedin."

Esco had previously signalled possible consequences should an adjacent building to the Foundry be consented for luxury apartments by the Council. Other local companies had voiced their concerns around the same time last year, should the building be consented.

Considering Esco's legal challenge to a large apartment complex metres from its foundry, it was a shock that the Mayor said that the Council had no influence. The Mayor's hope that other engineering Companies providing such employment may soak up 34 lost jobs showed he is "out of touch on these matters", Scandrett said.

NEW CAPACITY

Esco had recently closed down about 6 previously owned foundries but also had built new capacity in China and Chile. While there has been a mining downturn it seems that Esco seems to have chosen to avoid conflict in sites where there is potential danger of industrial land use being challenged.



Union members are worried about finding new jobs in Dunedin where manufacturing is in a shrinking spiral, Steve Scandrett noted. "The foundry industry is one of the toughest and dirtiest ways to make a living.

It's hard on workers bodies and families alike and the skill set these workers built up over many years cannot easily be deployed to other areas."

Esco have provided notice and termination payments in excess of their contractual requirements which will allow workers the opportunity to at least try to get their affairs in order heading towards Christmas.

Mars dispute resolved by memorandum of understanding

The Unions met with MARS Petcare to discuss a dispute relating to an alleged breach of the duty of good faith, the Terms of Settlement (TOS), and Collective Agreement by the company.

Based on bargaining for the collective agreement (CA) and the offer arrived at the Union parties understood that the backdating within it was a union-member only component of the offer. This was advised to members at ratification meetings in good faith.

The CA was duly ratified. The offer included a 2.35% increase backdated to 01 January and a shortened term.

NO BREACH

When the parties met the Unions were advised that the company in its view had not breached the TOS, CA or any part of the Employment Relations Act. The company did accepted that the Union's claim was genuine and that the members believed they had a genuine grievance in relation to passing on the union negotiated collective agreement terms to those who do not belong to the unions.

The company stated it view that it has a lawful obligation to review

Individual Employment Agreements (IEAs) annually due to IEAs having that requirement written into them. Further, that the review of IEAs and any increase offered has always applied from the same date that union member's increases applied.

The factory manager, Dereck Pickering, went on to say that in hindsight the company could have been more perceptive and stated the application date for IEAs thereby avoiding this misunderstanding.

The company also raised the issue of the previously good relationship between the parties eroding over time stating that it felt the relationship was bordering on being hostile. While the Unions did not see the relationship that way, it was accepted based on some examples given, that the company could have formed that view.

FUTURE

Given the information exchanged on the day the Unions took the view that the legal options available offered no real certainty to-



Mars packing line

wards enforcing the pass on provisions of the CA and it would be better to utilise the situation towards establishing how the parties should engage going forward.

MEMORANDUM

To that end a memorandum of understanding towards ensuring the good faith relationship has been drafted. The terms of this memorandum includes regular ongoing meetings between the parties, recognition of delegate convenors, and payment for the convenors if representing a member at a time they are off shift.

Once signed this memorandum will be reported back to members. A meeting has been set to finalise and sign off the MOU on 30 November.



Members lose jobs as Ultra Glass is put into liquidation

On 31 August 2015, all members at Ultra Glass lost their jobs when shareholders put the company into liquidation.

Ultra Glass' problems began back in 2008/09. At the time, there was a general economic downturn and most businesses were downsizing. Ultra Glass, however, chose to become bigger. It invested in a large specialised glass furnace and cutting equipment. Unfortunately, there was never the demand to justify these investments. Eventually it could no longer meet its debts (particularly to the Inland Revenue Department).

UNPAID SETTLEMENT

One of the debts Ultra Glass did not initially pay in the months prior to being liquidated was a settlement with member Regan Wharehinga for unjust dismissal. The

Union was able to force Ultra Glass to pay when it filed proceedings in the Employment Relations Authority. The failure to pay this debt in a timely manner is what

put the Union on notice that Ultra Glass was in financial trouble. From the Union's perspective Ultra Glass was a poor employer. In particular there has been a long standing issue of using redundancy as a means to get rid of unliked employees.

Ultra Glass seemed to have only one strategy to survive. It tried to undercut its competitors to create more business. This is a risky (and sometimes illegal) strategy. If a



Ultra Glass' premises in Seaview. The company's inability to pay rent on this building was just one of many debts that forced the company into liquidation.

company prices too low then no matter how much new business it creates it will eventually fail. Its only hope is that its low prices scare the competition off, which is generally only possible if the company is large enough to absorb the losses in the short term. For Ultra Glass, the predictable happened. It was not able to sustain the losses and decreased cash-flows from undercutting. Further, as it was smaller than its competitors, they simply waited it out until Ultra Glass failed.

LOST JOBS

For the union members at Ultra Glass liquidation obviously meant they lost their jobs. In addition to the usual problems with losing a job, employees of a company in liquidation face another issue. The company will likely not be able to pay wages and holiday pay owing. The very fact the company is in liquidation means there is not enough money to go around.

After all the secured creditors (such as banks with mortgages) have taken, their share and the liquidators have been paid the employees can only receive a maximum of \$20,340. It will be some time before members receive any money, as the liquidation process is lengthy.



Korean shipbuilder prospers on subbies lives

Trade unionists from Korea travelled 9,000 kilometres to Geneva, Switzerland, to attend the United Nations Forum on Business and Human Rights this week.

The Korean trade unionists went to tell the world about the workers dying in the yards of the planet's biggest shipbuilder, Hyundai Heavy Industries (HHI).

Sixteen workers died as a result of gruesome and preventable accidents during the period March 2014 until September 2015, which is almost one death a month. HHI refuses to take responsibility for these workers deaths because they were all working for subcontracting firms engaged by HHI.

Chang-min Ha, chairperson of the

HHI Subcontractor Workers Local union, which is affiliated to IndustriALL Global Union through the Korean Metal Workers Union, said: "We have come to Geneva and the UN forum because HHI violates the human rights of workers who face risk of death on a daily basis. Workers are too scared to speak about their concerns about safety because they fear getting fired."

LESS TIME

"There is no safety management among subcontractor workers," Chang-min Ha said, "they have to do more things in less time and with less training and education. They rarely get any health and safety training at all."

HHI makes container ships and

tankers as well as ocean platforms for the oil and gas industry. Around 50,000 people work in HHI's yards, with 80 per cent or 40,000 people employed by subcontracting firms.

RECENT INCREASE

The recent increase in deaths is linked to the rising number of subcontractors used by HHI in the past two years.

Only an estimated 3.5 per cent of accidents are reported to authorities.

"From 2012, we have been watching hospitals for a week at a time to see how many injured workers arrive from HHI yards. We have counted from 40 to 80 injured

Continued opposite

Rio Tinto refuses to talk

A security guard strike at Rio Tinto's mine in Madagascar points to a global problem: the company's over-reliance on and failure to take responsibility for precarious workers.

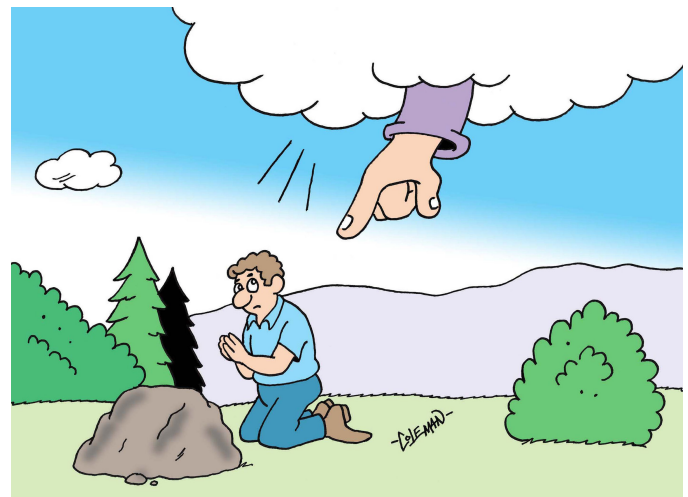
Over a 100 workers who provide security at Rio Tinto's QMN ilmenite mine in Madagascar went on strike on Sunday. They are protesting the firing of two guards who are leaders of IndustriALL affiliate FISEMA. They are also demanding that a manager who is said to routinely verbally abuse workers and their families be terminated.

The guards, employed by Rio Tinto subcontractor Pro Tech Security are treated poorly as are other Rio Tinto indirect, precarious employees at the mine.

"Rio Tinto's subcontracted security guards, catering employees, cleaners and drivers at its mine in Madagascar suffer from poverty wages and a lack of employment security" stated Eugene Chretien, FISEMA General Secretary for the Anosy Region.

FISEMA recently requested a meeting with Rio Tinto to discuss how to improve the treatment of Rio Tinto's indirect employees in Madagascar, however the company refused.

Rio Tinto's excessive use of indi-



"BETTER WORKING CONDITIONS? UNLESS YOU JOIN A UNION YOU HAVEN'T GOT A PRAYER!"

rect, precarious employees around the world generated a global protest earlier this month. As M&C Workers News goes to print Rio Tinto has give up its fight against the Madagascar workers



Korean trade unionists at Geneva supported by IndustriALL officials

workers a week, and this is by attending just one hospital at a time, when there are around 10 clinics in the area,” said Ha.

Chang-min Ha said his union has had to report subcontractor companies for not reporting accidents.

Some companies have been punished by authorities for this but not seriously.

“Concealment of accidents leads to the deaths of workers,” said Ha. The union is trying to improve safety at HHI but to no avail so far.

Steel industry near collapse

Industrial Global Union urged the British government to protect the UK steel industry as one in six steel workers in the country face redundancy.

This follows the announcement from Tata Steel on 20 October that it will cut 1,200 jobs in Scunthorpe and Scotland.

The Thai owned (SSI) announced the closure of one of the UK’s biggest steel production sites situated in Redcar with the loss of 2,200 jobs, meanwhile Caparo Industries, a steel products company based in the West Midlands, has announced that it will go into administration, affecting 1,700 employees.

Unite the Union assistant general secretary Tony Burke whose



members are affected by the job losses said “Time is ticking on the UK’s steel industry. The news of job losses over the last few days should jolt the government out of its laissez-faire approach to this vital part of the UK economy.

“Failure to act urgently could lead to a domino effect taking hold across the industry, leading to the loss of yet more skilled jobs as firms buckle under a combination of steel dumping and high energy costs”.

“It’s the same the whole world over...”

Thousands of workers employed by Petrobras have gone on strike against proposed privatisation. The Brazilian oil company has seen its production slashed as more and more of its employees join the strike.

H&M SIGNS GLOBAL AGREEMENT

The world’s largest sectorial trade union organization, IndustriALL Global Union, representing 50 million workers, and the world’s leading garment retailer H&M have together with the Swedish trade union IF Metall signed a global framework agreement, protecting the interests of 1.6 million garment workers.

The parties believe good industrial relations are key to improving workers conditions.

UGTT GETS NOBEL PEACE PRIZE

Trade unions make a difference! The 2015 Nobel Peace Prize has been awarded to a quartet of Tunisian civil society groups for their promotion of democracy in the country following the Arab Spring. National trade union centre, Union Générale Tunisienne du Travail (UGTT) is one of the winners.

Houcine Abassi, General Secretary of UGTT said that “Workers are instrumental in the strive for a democratic Tunisia.”

Posties working excessive hours

The Postal Workers Union of Aotearoa (PWUA) office has been contacted by posties from around the country advising that some members have been working very long hours.

A variety of incidents have been reported such as posties working up to 12 hours a day once or twice a week. Other incidents involved a postie being out on his run to 7.00pm on a Saturday and posties at some branches working more than 50 hours a week.

ALTERNATE DAY DELIVERY AN ISSUE

The situation has been exaggerated since the introduction of Alternate Day Delivery (ADD). This has created a situation where many posties are working longer hours than they wish especially on heavy days delivering magazines and recently the Flag Referendum mail out.

PROCEEDINGS FILED

The PWUA had already anticipated these issues prior to the introduction of ADD in July 2015. In 2014 it had raised this issue with NZ Post. As the this went unresolved the PWUA took NZ Post to task by filing proceedings in the Employment Relations Authority and requesting that NZ Post attend mediation to resolve the issue of excessive postie workloads.



Posties working excessive hours despite a mediated settlement

MEDIATED SETTLEMENT

At the mediation, held in December 2014, The PWUA was able to get NZ Post to agree to a process for a postie to raise a workload complaint:

1. The postie/s objects to the workload to the Team Leader.
2. The Team Leader must advise their immediate manager and discuss the matter with the Union delegate.
3. If no agreement is reached, the Union delegate will refer the matter to the Union organiser.

The PWUA and NZ Post also agreed that no postie is required on any one day to exceed a work duration of 10 hours including rest breaks. NZ Post acknowledged that posties who work exclusively

outside require special consideration with regard to the maximum number of hours they can be required to work.

In relation to that issue, the parties also agreed on how to handle a situation where the maximum daily hours was insufficient to deliver all mail. In that situation, the team leader was to discuss with posties how best to deliver the mail taking into account the circumstance of the individual postie. NZ Post was also required to report to the PWUA on these matters.

FURTHER INCIDENTS

Despite the mediated settlement it would appear posties still work excessive hours. If a postie feels their Health and Safety is being compromised by working excessive hours, let your local PWUA delegate know.

Issue number 106 of "M & C Workers News" was prepared by the National Office of the Manufacturing & Construction Workers Union.

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