



M&C Workers News

JOURNAL OF THE MANUFACTURING & CONSTRUCTION WORKERS UNION

Union campaign:

No driving our buses backwards!

When the winning tender for south Auckland public passenger buses was announced earlier this year it became clear that the Government's new law for tendering the work (PTOM) is a rerun of the 1990s - slash wages and working conditions.

The tender was won by Go Bus and Ritchies. Go Bus in particular pays the lowest wage rates to passenger bus drivers in New Zealand. The companies that lost the south Auckland work pay \$21 per hour plus. Go Bus pays as little as \$16.90.

Drivers wages are about half the cost of operating a public passenger bus service. It is easy to see where the \$3.1 million per year reduction in costs from the winning south Auckland tenderers will come from.

The Wellington Regional Council is due to collect tenders for the region's bus services. All indications are they are set to copy south Auckland and award the work to the company that pays the lowest wages and gives the lowest bid.

The Tramways Union has embarked on a campaign to oppose the WRC "Driving our buses backwards" (see pages 8 & 9)



Jobs at NZ Bus in south Auckland, like the bus, are going west.

Also in this issue...

From the Workfront... pages 2 & 3

Viridian takes Furniture Union member to Court

Collective agreement negotiations... pages 4 - 7

Ratification votes are taking place in New Zealand Post. The unions advocates outline a plan to stop clawbacks which again are a major feature of the terms of settlement.

Health & safety... page 10

Court orders Envirowaste to pay a penalty for a contractor worker's death

International news... pages 14 - 15

Who owns New Zealand businesses and how they operate were highlighted by the "Panama Papers".

Good behaviour punished at NZ Post... page 16



Redundancy payments at Acma disputed

Acma made eight members of the M&C Union redundant in a case that makes us look at how redundancy compensation is paid.

It is unfortunate when an employer makes employees redundant. Nobody likes to hear that their job is surplus to requirements. While there may be situations where it can be contested, some situations are obvious and the question becomes what if any compensation redundant employees will receive.

BUSINESS CHANGE

Acma was obviously one of the latter situations. It had been clear for months that the way the company carried on business was going to change and that consequently it would have to disestablish several people's roles. The company did try its best to avoid the situation by prolonging their employment. However, it appears during this time nobody was considering how the redundant employees were going to receive their redundancy compensation. Both the company and the members assumed their

understanding of the situation was correct.

PROGRESSIVE OR LUMP SUM

The company had assumed that it was able to pay the redundancy payments in installments equivalent to one week's ordinary pay. In contrast, the members had assumed that they would receive their compensation within one working day along with the usual outstanding holiday pay and annual leave entitlements. So who was correct? The first point of call is the employment agreement.

In New Zealand, there is generally no automatic right to redundancy compensation. Therefore, the employment agreement needs to contain an employee's rights in a redundancy situation. It should for example contain both how the employer calculates the compensation and how it has to pay it. However, despite it being best practice to do so, many employment agreements do not prescribe how compensation is going to be paid.

Arguably, that was not the case

with the Acma collective, which provided that the employer had to pay all outstanding amounts 1 working day after termination of employment. However, it is not clear whether this included redundancy compensation. Therefore the union and Acma would have almost certainly gone to court to have the issue decided. While the union could have won, it would have been a half victory at best.

IMPOSSIBLE ACTION

Even if the Employment Relations Authority had said that Acma should pay the redundancy compensation as a lump sum, it never will ask an employer to do the impossible. If it does not keep the cash on hand it will be allowed to pay compensation in instalments. Unfortunately the best that employees can hope for in these situations is that an employer sticks with the proposed payment schedule and that they correctly tax the compensation.

The union reached an agreement with Acma in mediation about the payment of redundancy compensation.

From the work front...

Viridian Glass claims breaches of mediated settlement

Viridian Glass objecting to an article that appeared in the last M&C News and has responded by going after a former Furniture Union member.

It is not often that an employer takes an employee to court but that is exactly what might happen as Viridian Glass has filed a statement of problem in the Employment Relations Authority (ERA) against former Furniture Union member Wayne Brassington.



Viridian Glass is taking a former Furniture Union member to Court in a misguided attempt to stop the union talking to its members about work issues.

PREVIOUS M&C NEWS ARTICLE

M&C News ran an article in its last issue suggesting the Wayne had settled his dispute with Viridian Glass regarding his dismissal. In the article, the M&C Union took the view that Viridian Glass' actions were a clear example of how not to handle a complaint of bullying.

The information for this article came from the statement of problem that the Furniture Union filed in the ERA in January 2016. The M&C Union and a number of other unions were privy to the details of this dispute.

As the dispute was resolved at mediation before the publication of the last issue of M&C News the Union amended the article to merely reflect the fact the matter was resolved at mediation. This is common because mediation is confidential. The solution to the issue and the matters discussed are unknown to anybody except the parties, their representatives, and

the mediator. Nobody else could have read the article and known with any degree of certainty what the parties discussed at mediation and what solution they came to.

PROHIBITING THE UNION TALKING

Viridian is certainly not the first employer to take exception to an M&C news article. In the past, many employers and their management have tried to take the Union to court over the contents of articles. Mostly these cases have been employers concerned about damage to their reputations. In one case for example, a person claimed the union defamed him. The Union won because among other things the M&C news is protected by qualified privilege. This means the Union can use M&C news to relay statements that it reasonably believes to be true to members on matters of legitimate interest even if those statements are defamatory. The Union is accountable to its

members. Therefore, it is under a duty to report to them on what it and its affiliate unions are doing to support members. At the same time, the Union also has a duty to educate its members so they are fully aware of their rights in order to protect themselves. The M&C News articles about disputes with employers are about fulfilling these two duties.

MISPLACED ANGER

However, it may be a good time to stop and consider something. Viridian Glass is not taking the Union to court. Instead, it is taking a former member of the Furniture Union to court. The logic of taking somebody to court when you have a problem with someone else is questionable. It is likely Viridian believes Wayne controls the actions of the Union. While plainly untrue, it leaves open the possibility that this issue will continue even if Viridian resolves its issue with Wayne.

Collective agreement negotiations...

Progress made in protecting conditions

The Wellington region collective agreements covering bus drivers and maintenance staff employed by NZ Bus were ratified by union members at a stop work meeting held on 19 April.

Bargaining took 5 days and achieved a common wage increase for the three employers, Go Wellington, Valley Flyer and Runcimans.

The term of the three agreements is 21 months. The wage increase is 1.8% for the first 12 months, and 1.35% for the last 9 months.

SUBSEQUENT PARTIES

Since 2005 the unions have been seeking a subsequent parties pro-

vision in CEA bargaining. This enables another employer to become a party to the NZ Bus collective agreements. This provision was finally accepted by the companies.

TIMING PRESSURE TO JOIN

The effect of the term and the subsequent parties provision is that the agreements will expire before any new bus companies start up taking over work they have won off NZ Bus. The next negotiations will be able to be timed so as to put maximum pressure on any new companies to sign up to the NZ Bus collectives.

The ratification meeting was told that anyone who was made redundant by NZ Bus could remain a union member and seek to ne-

gotiate to retain their wages and conditions with the new company. If the new company already had a collective agreement negotiated with another union, even though it had no employees doing the work, new employees did not have to be covered by that collective if they did not join the union that negotiated it.

NZ Bus is committed by the new CEA to approaching any new employer to try and get agreement for any of its redundant employees to transfer their employment to the new company.

FLAT RATE ILLEGAL PREFERENCE

The new agreement also saw the inclusion of a flat rate option for the workshop. That option is effectively 1.5% more than the rates and conditions applying with penal rates for working overtime.

The management of the workshop encouraged 4 workers out of the union during the term of the last agreement with a flat rate that gave them 7% more than the rates then in the CEA. To get this rate they 4 had to agree to work on any 7 days a week and at any time, a provision which does not exist in the CEA.

The CEA now imposes a restriction on the company working anyone not in the union at times that will reduce the earnings of those covered by the collective. The 7% flat rate is an illegal preference for the now two workers not in the union. The union will follow this matter through to the Employment Court if necessary.



Wellington trolley bus: At the end of April NZ Bus announced it was going to convert its trolley fleet to being electric powered buses. Once this happens the new electric buses will require ongoing maintenance. In the CEA negotiations the company sought to remove the union's right to stop contracting work out. Trollies are contracted out. The company failed to get this change agreed so maintenance on the new electric vehicles should be done in house. The union will seek to give diesel mechanics the right to increase their skills to electrical maintenance as an alternative to redundancy.

Moves to combined CEA continue

Members at Axiam Plastics and Axiam Metals ratified their separate agreements settling on an increase of 1.5%.

As previously reported over the years Axiam has downsized in response to the economic climate and has merged three separate businesses into two. Prior to this, merger discussions occurred about the eventual establishment of a single business that incorporated all three original entities.

MIRROR CEASE

In line with a future merger, and the parties working towards having mirror CAs at both plants over the last several years, members put forward a claim for the establishment of a skill based pay system at Metals that would also be able to incorporate the roles at Plastics. Plastics have a skill based system whereas Metals do not.

The company has agreed to provide a proposed pay system no later than six months into the term of the current CA. The Unions on site both agree and have advised

the employer that the pay system should recognise both skill and service. The matter of what a final proposal will look like and or recognise is yet to be discussed and negotiated. Any new pay system going into the CA will be part of any proposed terms of settlement at the next bargaining in 2017.

12 HOUR SHIFTS

As a result of how Metals is charged its power rate based on peak use cost times as well as the continual rise of the cost, the Unions were advised that Metals would be looking at 12 hour shifts for the die casting dept. in an effort to significantly reduce those costs. The details for any proposed shift patterns are yet to be advised, discussed and or negotiated. The introduction of any new shift patterns or hours of work will require the members affected to ratify the proposal before implementation. The ability to change any sick leave in excess of 10 days into annual leave at the request of the employee was changed to 14 days in recognition of the fact that 10 days always related to 2 years of

Collective agreement briefs...

Negotiations with NZ Van Lines conducted jointly with the First Union were started in April last year. When the company's owners changed there was a break and talks resumed in January. The negotiations have now been referred to mediation as the company has failed to come up with an acceptable offer.

ENZA

Bargaining for a new CEA took the first quarter of 2016. A roll over was ratified by members. Bargaining resumes in September.

sick leave, which changed when sick leave increased to 7 days per year at the last negotiations.

The Unions are also in a consultation process with the Axiam group for the development of a drug and alcohol policy. The company has indicated a preference for swab testing. The Unions have supplied a proposed draft D&A Policy.

Spotless bargaining continues

Spotless maintenance members at Palmerston North Hospital continue to fight for a Collective Agreement.

The Union initiated for bargaining in 2014 and to date a terms of settlement have not been reached. Regular bargaining meetings have occurred over the period and an agreed 12 month gap occurred following agreement on an increase through to 2015.

The position of members was to ensure that they received a CA that contained all the terms and con-

ditions they held via their IEAs while at the same time ensuring what they negotiated was consistent with the current conditions of others.

BASE DOCUMENT

Most of the last twelve months has been dedicated to establishing a written CA that both parties agreed contained all the current terms and conditions of members and other staff covered by CAs in different Unions. This was recently agreed and that document is now the basis

for negotiating.

While most matters will in the union's view be resolved including a pay rise there are two very significant sticking points. Members are currently paid an on call allowance of \$105 a week which in their view is woefully below what should reasonably be expected. Members have claimed \$250.00 per week which is an average of what is paid elsewhere. Members are adamant that this rate must be paid if on call is to continue.

Concluded on page 11

Clawbacks continue at Post

15 days of bargaining were required with New Zealand Post to get an offer on the table to renew the collective agreement. As "M&C Workers News" goes to print the ratification ballot is nearly concluded.

The company's focus in the negotiations was to change collective agreements to support its plan to combined mail and parcel delivery in residential areas. The decline in mail is partially offset by the growth in parcels. Combining the two is a profitable way to deliver both into the future overcoming the subsidy often required for couriers to deliver in residential areas.

INTEGRATED DELIVERY AGENT

This plan required the unions to negotiate a new role called the Integrated Delivery Agent (IDA). The IDA will drive an electric vehicle to make their deliveries. The vehicles are currently being trialled in New Plymouth.

Buying a fleet of new vehicles for

delivery is a considerable investment. Post wanted its employees to help pay for them by cutting various conditions. Post argued that conditions of employment needed to be reduced in order for it to be able to compete with other mail/courier companies such as DX and Freightways.

CLAWBACK CLAIMS

The clawbacks wanted by the company to help change the business and compete were major for those processing mail. While some of the clawbacks were withdrawn others are included in the final terms of settlement to be voted on by unions members.

The main features of the Terms of Settlement were

- a one year term
- a 1.5% increase on wages and allowances
- a higher increase on Grades 1 and 2 in the pay scale for Post employees, approximately 1.8% on top of the 1.5%
- grandparenting of the 37% hourly rate loading for night

rate for existing employees with new employees to get \$3.01 per hour

- grandparenting paid meal breaks and the 37.55 hour week in mail processing, with unpaid meals breaks and 40 hours a week to apply to new employees
- wages to be paid fortnightly
- postie training rates to be increased to \$21 per day for the first two weeks and \$11 per day for the second two weeks.

Other company claims were successfully resisted. One such claim saw the company try to effectively remove paid union meetings for PWUA delegates. This was expressly payback for the union using the disputes procedures in the collective agreement to deal with issues. Another claim resisted was the removal of the roster make up allowance and gold plated allowance that applies to some pay rates in processing.

ADD

The last item conceded by Post during the negotiations was an undertaking to deal with the reduction of Postie earnings caused by the change to alternate day delivery. Company analysis confirmed the union contention that about a third of Posties have been adversely impacted by alternate day delivery (ADD). Imperfections in the work measurement system meant that they had to work longer to achieve the money previously earned before ADD. There will be ongoing talks to deal with this issue.



Electric powered Paxsters will be used to deliver parcels and mail

ADVOCATES URGE PLAN TO COMBAT CUTS

The Advocate for the PWUA, Graeme Clarke, and Joe Gallagher for E tu, both supported ratifying the Post collective agreement offer in spite of the clawbacks.

Since 1996 the two unions had negotiated separately. This year agreement was reached to negotiate jointly. A combined union approach and strengthening union membership, the Advocates argued, was needed to stop the continual demands made by Post, and to start improving members wages and conditions.

In a joint report to ratification meetings, also conducted on a joint basis, the Advocates argued that the unions had to approach the next CEA negotiations in 9 months time with a realistic plan to stop clawbacks and stop the decline of conditions that had taken place over the last 15 years.

They urged that the unions

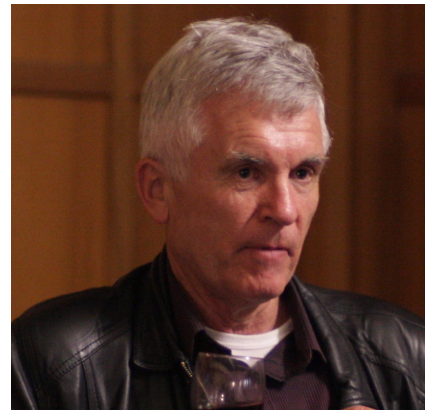
strive for the Living Wage by making the roster make up allowance a six year service step.

"The roster make up allowance now only applies to employees who have 16 years service. If added as a new service step it would lift the top of Grade 2 to \$19.86... 6 cents per hour above the living wage," they said.

The Advocates also urged members to support 100% union membership both in Post and in the mail delivery industry.

"If membership increases at the same time as the unions endorsed getting a living wage it would send a clear message to Post for the next negotiations.

"Many union members will know people who work for DX and related courier companies. We need to encourage them to join the union so that their terms and conditions are not being used against us in a race to the bottom. Some DX posties tell us that they have not had a wage



Advocates Graeme Clarke (top) and Joe Gallagher from E tu

increase for 8 years. We need to end this situation or things will remain the same," the Advocates said.

Principles of IDA operation established

The Integrated Delivery Agent role dominated the CEA negotiations.

The IDA was a difficult issue because except for a limited use of Paxsters in New Plymouth there is no experience on which to base terms of an employment agreement.

Eventually a set of guiding principles were agreed to.

On the rosters to be used, which the company want to be a 9.25 hour day 4 days a week, it was accepted the combination of hours and the pattern of days must min-

imise the potential for harm. Peak workloads are not to be met by the use of cut-ups, as at present, but job and finish still applies.

OOS HAZARDS

Issues with the Paxsters, in particular OOS hazards that have been identified, will be worked on. Agreement between the company and the unions on safe operating procedures is required.

The implementation of IDA and its roll out across the country will be overseen by a joint union company steering group. It is agreed that

workloads should be sized as close to 37.40 hours of work per week with the steering group having responsibility for how measuring workloads is done.

Any Postie who cant work the new rosters or hours will be able to apply for redundancy when the Paxsters are introduced to their branch.

The unions tried to get a higher wage rate applicable to the IDS role, without success. The way the work is paid is to be discussed. Initially outside work will be paid for time, not piece rated.

STOP THE WRC

Driving our buses ba

New Zealand Bus owned Go Wellington and Valley Flyer have had an advantage since tendering for public passenger work was introduced in the 1990s: Trolley buses.

As a significant part of the service in Wellington was supplied by trolley buses, and as NZ Bus was the only owner of trollies, NZ Bus had an advantage in getting the work.

NO COMPETITION

The only potential competitor already established in the region is the Mana Newlands bus company owned by Brian Souter of Stagecoach fame. A quarter of this company is owned by Infratil which also owns NZ Bus. The two companies have stuck to their traditional geographic areas from 1990 to the present day.

Wellingtonians use the bus 101 times per year on average. This is the most of any urban area in Australasia.

The Wellington Regional Council (WRC) signaled their intention to bring new companies into public passenger transport in the Wellington region when it announced that it would scrap the trolley bus service, instead opting for hybrid electric/diesel buses if possible, otherwise diesel buses will be used.

\$40 MILLION INVESTMENT

The WRC has invested \$40 million of ratepayer money into the trolley bus system replacing lines

and making upgrades. But in 2017 they want to pull the wires down.

Replacing trollies with hybrid or

wholly diesel buses will require a 50% higher subsidy from the WRC than the trolley buses would.

The current trolley fleet has at least 10 years of life left in it. But

it seems the WRC is determined to go ahead with its plan to axe the trollies. This plan can only put pressure on the WRC to accept tenders based on low wage rates.

The WRC plan for buses is also mooted to create a less efficient service that will drive the public back into motor cars.

The WRC plan requires the creation of transfer stations. Successful companies will operate only in their designated area and bus passengers wanting to go further than one area will have to get off at a transfer station and get a new bus. It is rumoured that to get from Miramar in Wellington's east to the Basin Reserve near the CBD will require two transfers and three buses.

NOT INTEGRATED

There is no integrated ticketing system in place to deal with such a system. Transfers will not be seamless.

When the shape of public transport in the Wellington region that is being proposed by the WRC is weighed up it is found severely



Ex Labour MP and union official Paul Swain has fronted for the ditching of trollies and support for hybrids. He and the WRC have given no commitment about securing jobs, wages and conditions in any change of contractor.

Trollies to be co

New Zealand bus has announced that its Wellington trolley bus fleet will be converted to become fully electric buses.

Starting this year the company will invest \$43 million in Wrightspeed motors for the trollies. These motors operate on battery power. While the bus is in use the batteries are recharged using the energy from braking.

Backwards

wanting.

The proposed system may rely on diesel vehicles. Diesel fumes are a well known carcinogen. Diesel fumes are greatly reduced by the existence of the trolley fleet.

Services such as the currently well utilized direct campus connection

routes are to be phased out adversely affecting students who do not get any fare discount.

The inefficiencies inherent in the WRC plans will lead inevitably to cost savings from workers wages being needed from successful tenderers.

Go Bus to discriminate against union members

“Go Bus will not have members of the Tramways Union in the business.”

So said a top ranking manager of Go Bus at a recent employers meeting. His comment was overheard and reported to the union.

Go Bus is owned by the Ngai Tahu and Tinui trusts. It pays the lowest wage rates in the industry. Not wanting to have Tramways Union members in its employ says it aims to keep it that way.

When the Wellington Regional Council called for tenders to operate the electric rail network a con-

dition was that the workers had to be transferred to the successful tenderer. Kiwi Rail lost out to a foreign company, Transdev.

CUTS SOUGHT

The transfer on the same wages and conditions proved to be short term with Transdev hiring ex NZ Bus HR manager David Gould to negotiate a new agreement seeking to reduce conditions of employment.

The WRC has given no guarantees to the region's bus drivers that if their work goes to a new company they can follow it and retain wages and conditions

Converted to electric motors

Current battery capability will require an additional motor to recharge them in use. This motor could run on bio-fuel instead of diesel.

RECHARGING STILL NEEDED

It is estimated by NZ Bus that the motor recharger will be in use no more than 10% of the time the vehicle is in use and, for some routes, it will not be required at all.

This announcement has put the WRC hybrid plan in doubt.

According to NZ bus the Wright-speed technology can also be used to convert diesel vehicles into electric.

The electric buses will be less polluting, quieter and cheaper to operate than hybrids. It remains to be seen whether the higher pay rates at NZ Bus eliminate this advantage against the competition for routes.



KEV SAYS

The union is waging a PR campaign to try to protect an efficient, safe and reliable bus service in the Wellington region.

We also want to stop the tendering process imposed by politicians from being used to cut wages and working conditions.

\$3.1 million has been taken out of bus drivers pockets in south Auckland. We want to stop the same deal here.

The union's campaign has an industrial side, as well as PR.

Our industrial campaign to retain wages and conditions will take place at the time work transfers from one contractor to another, in about 18 months time.

We issue a fair warning to any company wanting to bid for work in the Wellington region: If your bid is based on undercutting the current company wage rates, and you secure the work, we will fight to negotiate new agreements that match what we currently have.

If you win work here we invite you to become a party to our current employment agreements to secure a commuter and driver friendly transition.

Envirowaste pays penalty in death of Junior Hunt

Following the tragic death of 20 year old Junior Hunt on 3 March 2015, Envirowaste has to pay \$85 000 to his family and approximately \$66 000 in fines in addition to court costs.

Workplace safety should be paramount for employers; however, basic failures by Envirowaste resulted in the death of Junior Hunt. A Worksafe investigation has concluded that the company has breached its obligations under the Health and Safety in Employment Act. Poor training and design by the company were the prime contributors to the accident.

TRAGIC EVENTS

On 3 March 2015, Junior Hunt who was actually employed by a recruitment agency used by Envirowaste was the sole operator of his truck. While doing his round through Upland Terrace, Kelburn Wellington he was caught between the hydraulic arms that lift rubbish

bins and the truck itself. Members of the public who were nearby attempted to help, however they were unable to free him. It wasn't until emergency services arrived that they were able to free Mr Hunt. However his injuries were too severe and he died in hospital the next day.

MULTIPLE SAFETY FAILURES

A Worksafe investigation was launched into the accident as is the custom when these types of accidents occur.

Although the findings were not released for over a year it was eventually revealed that Envirowaste had multiple health and safety issues that contributed to the accident.

The first issue identified by the Worksafe investigation was that Envirowaste failed to provide Mr Hunt with proper training on how to operate the hydraulic arms and the vehicle in general.

The second issue identified by the

Worksafe investigation was the bin lifting mechanism itself.

It was only semi-automatic and it posed a great risk of crushing the operator because it required them to be in close proximity to both the mechanism and the truck.

OLD PROBLEM

WorkSafe chief inspector Keith Stewart said Envirowaste had many opportunities to identify and fix risks in its workplace, but did not do so.

Envirowaste was involved with the design of the bin lifting mechanism however, it did not adequately consider the advice from others including the workers (Mr Hunt's father and brother also worked at Envirowaste) and union members had complained about the bin lifting mechanism.

Having only one worker for these trucks had long been a complaint from both workers and unions. However the company had insisted that the cost-effectiveness outweighed other considerations.

PUNISHMENT

In the end Envirowaste pleaded guilty to the charges. chief executive Gary Saunders said they would respect the decision and that "Rigorous investigations have been undertaken, operational improvements introduced and we have made targeted modifications to the operational design of the trucks." However, it appears that none of these changes have been made by the time the case was in court.



Emergency services attend the accident the claimed the life of Junior Hunt. Despite their best efforts he died in hospital the next day.

PWUA attempts to advance Union access dispute

As the Postal Workers Union of Aotearoa seeks to resolve the issue of being denied access to the Napier and Hastings delivery branches in December 2015, NZ Post has become evasive.

In the last issue of M&C News a report was carried about the PWU official whom NZ Post denied access to the Napier and Hastings delivery branches. The issue mostly involves NZ Post failing to recognise that it cannot deny access to a workplace because it has an issue with a union official as an employee.

MEDIATION UNSUCCESSFUL

As is the process in employment disputes, the parties attended mediation. However, they were unable to resolve the issue and now the matter must proceed to an investigation meeting at the Employment Relations Authority (ERA). However, it appears that NZ Post is in no hurry to resolve this issue.

Despite (or perhaps because of) NZ Post being a large organisation it appears lost to it who is responsible for the case. The PWU has attempted several times to arrange a conference call with the NZ Post and the ERA to discuss how the case will proceed. NZ Post is yet to respond to the ERA or the PWU. In the meantime two new developments have occurred. First, in January, John Maynard, the PWU official originally denied access, was denied a second time. At that time, NZ Post also denied another PWU official, who is not a NZ



John Maynard was denied access to the NZ Post delivery branches in Napier and Hastings.

Post employee, access. This was odd because it directly contradicted the reason for denying Mr Maynard access, which was his supposed absence without leave. NZ Post then tried to settle with the non-employee union official. This is quite interesting as it begs the question of why denying John was ok. We are left with the only possible answer being that NZ Post believes that a potential employment relationship problem (in this case being absent without leave) is grounds for denying a union official access to a workplace. Clearly, that is not the law, and the PWU would expect NZ Post to know that.

ACCESS USING SAME PROCEDURE

The second development is that, in the context of ratification meetings for a new collective agreement, John was able to access the delivery branches where NZ Post had denied him access. This again

raises questions. John followed the exact same process as the times NZ Post denied him access. The difference this time is merely the pretext for visiting the branches. It again leaves open the possibility that the December and January denials of access were for reasons that it was dissatisfied with John as an employee.

CASE PROCEEDS TO ERA

Eventually this case must be resolved. As it stands, the PWU has offered the ERA some alternative contact details for NZ Post. However, the PWU will not rule out the possibility that should the ERA give it the option, the case proceeds without NZ Post's participation. Although this is unusual, it is not entirely unheard of. Given the potential consequences for NZ Post if they lose, it is likely at some point they will wake up and realise they have to defend themselves.

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 26 August 2016*
- *1.30pm at the Trade Union Centre 68 Langdons Road Christchurch*

Agenda

1. *Minutes of the 2015 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



SPOTLESS BARGAINING CONTINUES

The other sticking point is the company's claim to have a completeness clause verses a savings clause. Their justification for this is they believe giving members a CA is a significant concession and any new CA entered into needs to ensure it contains the complete terms and conditions. The union rejects such a clause as an anti-union membership clause allowing the employer to reduce the rate or conditions of any individual joining if their paid rate or conditions are higher than stated in the CA.

WILLING

The members are willing to consider such a clause if the CA contained all the terms and conditions members believe it should have, including higher pay, redundancy, extra leave, better terms and the like.

Spotless appeared to think the union misunderstood the legal meaning of a completeness clause until the negotiators said this was not our legal understanding, simply our bargaining position/count-

er offer.

One member has recently resigned from the job stating his disgust at the lack of consideration by the company for his attempt at an individual level to attain a higher rate and on call payment. This ups the ante as on call frequency will increase if the company does not hire.

Members are looking at their options for refusing to be on call, relying upon the new employment standards around availability provisions and the requirement for reasonable compensation in that situation. Members also are happy to withdraw the claim if the company wants to look at contracting out the on call cover.

The package offer on the table currently is an 18 month term from the first Wednesday following ratification with a 0.8% increase for the first 12 months and 0.4% at twelve months and the on call allowance to increase to \$125.00 per week. The company has also asked the Union to provide wording that avoids double dipping in respect to the completeness clause issue.

Bargaining continues.

Conference report

The Annual Conference of M&C was held on May 3rd and 4th.

The following officers were elected:

- George Larkins General Secretary
- Greg Hopkins President
- Selwyn Cassidy Vice President
- Andrew Hamilton, Monica Tukaki, Trustees

The need for the re-establishment of an effective 40 hour working week was discussed and a motion was carried requiring the General Secretary to write to the Labour Party reconfirming M&Cs position put to them last year, which had not been responded to.

Delegates discussed recent law changes for employment standards and the possible opportunities that may arise using these to improve on call provisions in some collective agreements.

Trades Hall ownership report

The conference received a report from Graeme Clarke and Andrew Hamilton about the Wellington Trades Hall finances and ownership.

The ownership of the building and site has been split with effect from mid June 2016. This leaves only resident unions of Trades Hall as effective owners of the building.

When the split is complete the unions will commence earthquake strengthening work, and then will look to complete deferred maintenance originating from the running down of the building that occurred during the 1990s.

Health & Safety at Work Act 2015

A health and safety handbook is available for union organisers/delegates at a discounted price of \$39.

The handbook covers worker engagement, participation and representation under the new Act, including issues such as stress and fatigue. There are substantial changes we need to be aware of.

The book is produced by Douglas Hay, a health and safety consultant who operates out of Trades Hall.

Contact details for purchase are:

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International news...

TPP submissions underscore dangers

Politicians on both sides of the political spectrum awakened to the myriad harms to our society, our economy, our environment and our future should John Key be successful in implementing the TransPacific Partnership treaty.

Thirty six oral submission were made to the Foreign Affairs Select Committee reviewing the TPP treaty. One was in favour and 35 opposed it.

The submitter in favour stood to personally gain financially from one small clause in the agreement. The committee heard from academics, experts and concerned citizens speaking from their hearts, fearing for their families and future generations. The committee heard that what John Key has labelled a 'free' trade agreement is exactly the opposite. Only five of the 30 chapters relate to trade.

COMPLEX RULES

The other 25 chapters form a binding set of complex rules all of which favour international corporations at the expense of our collective welfare, human rights, environment, economy, education and health systems and New Zealand businesses.

The government's claims that our economy would be better off by \$2.7 billion by 2030 was challenged by many submitters who pointed out the costs to our economy and directly to tax payers would more than halve those 'projected' gains and this didn't take into account any suits against the government by international cor-



Demonstrations against the TTPA saw thousands of New Zealanders march

porations which sue us by using the provisions of the TPP.

\$55 MILLION

The committee learned that immediately upon implementation our citizens and schools and universities would have to pay \$55 million each year to overseas corporations under the Copyright chapter of the TPP.

The taxpayer would have to fund an additional \$8 million each year to subsidise Pharmac for more expensive pharmaceuticals and medical equipment under the health chapter.

And we would immediately lose \$20 million in import tariffs each year even though most of the small benefits we would receive from overseas tariff reductions in some countries won't be seen until 2025-2028 and won't be fully in place until 2053.

A majority of the submitters were gravely concerned that the TPP treaty would inhibit future governments from enacting legislation to meet our obligations under the United Nations Convention on Climate Change because of the threat of law suits by multi-nation-

al corporations.

The committee heard from most of the submitters of their concerns that the TPP would erode our already fragile democracy and sovereignty as overseas corporations used the provisions in the treaty to unduly influence our government's laws and regulations, especially those designed to help protect our environment.

The majority of the committee strongly expressed the view that Its Our Future's Gen de Spa's closing speech was one of the most moving, informative and eloquent presentations they had ever seen to a select committee hearing.

NATIONAL MUST TAKING STOCK

The National government must take stock. This government's continual drive to transfer our public wealth and public domain to overseas corporations through asset sales, subsidies to coal mining and oil extraction, deep sea oil drilling and now the mother of all wealth transfer programmes, the Trans-Pacific Partnership treaty, are more than our country can bear and still have a decent future.

Tax havens major investors in New Zealand

The Panama Papers have shone a most welcome (and long overdue) light into the murky world of tax havens, offshore trusts and shell companies.

It is worth noting that two notorious tax havens – the British Virgin Island and the Cayman Islands – are among the top foreign owners of New Zealand companies. In both cases, they rank ahead of China, putting it into perspective.

CONFIDENTIAL

Who are the actual owners? They, of course, remain hidden or even “confidential”, because that is the purpose of tax havens.

Dirty money and ill gotten gains, and from who knows where and when, might be coming into New Zealand via these tax havens.

The Government does not care because it is “foreign investment”, which must, it seems by definition, be a good thing.

Key Facts about foreign control of New Zealand (provided by the Campaign Against Foreign Control, CAFCA) are:

As of March 2015, the origin of the biggest foreign owners of New Zealand companies were in decreasing order: Australia, US, Hong Kong, UK, Singapore, Japan, Canada, Netherlands, Brit-

ish Virgin Islands, Ireland, Cayman Islands, China, Switzerland, Norway and France. All had over \$160m in foreign direct investment in New Zealand.

AUSTRALIA 52%

These accounted for 96% of foreign direct investment in New Zealand. Australia alone accounts for 52%.

British Virgin Islands and Cayman Islands are tax havens. A Statistics New Zealand study showed that in 2010 large proportions of the foreign direct investment from the Netherlands, Singapore, Hong Kong and tax havens was in fact from other countries, led by the UK, US, Germany and Canada.

In 2015, other tax havens with investments in New Zealand companies include Vanuatu, Channel Islands, Liechtenstein, Bermuda and the Bahamas, but for all except Bermuda, the value of their holdings has been suppressed as “confidential”.

Bermuda has shown a negative investment in New Zealand companies since 2009 (negative \$1.8 billion in 2015). So has Germany since 2013. Negative investment suggests that the companies may have been loaded with debt to their parents which has implications for profits declared in New Zealand that are subject to our tax.

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

Bangladeshi workers staged a demonstration on the third anniversary of the collapse of the Rana Plaza building. They were demanding the government initiate a judicial trial of the buildings owner who was responsible for the deaths and injury of 3500 mostly garment workers in the building.

ITALIAN METAL WORKERS STRIKE

Over a million Italian Metal Workers took part in a 4 day strike in April holding rallies in 100 cities. The trade unionists were striking in support of renewing their national contract with a pay increase, opposing employer plans to have different pay rises for different sectors.

DEMONSTRATIONS BACK PRESIDENT

Trade union demonstrations were held in Argentina, Uruguay and all 27 states in Brazil in support of Brazilian President, Dilma Rousseff. Rousseff is threatened with impeachment in a move by politicians linked with business. Demonstrators called this a coup because of its lack of legal basis.

UAW WINS

The UAW has won a union election at Volkswagen’s USA car plant. It was the only plant without a union in the VW group. The company appealed the win but it was confirmed by the courts.



EnviroWaste is owned by British Virgin Island company Cencioni

NZ Post delivers scam mail and punishes good behaviour

A recent issue with scam mail at NZ Post highlights the whistleblower protection for employees.

Nelson postie, Carolyn, was threatened with a possible jail sentence by NZ Post if she repeated any warnings to a rest home about scams coming through the post. The postie was concerned that residents on her delivery round could lose money while trying to claim six figure US dollar 'prizes' from their 'winning' scratchies.

"NOT SO LENIENT NEXT TIME"

At a preliminary report back of the company's investigation into her action Carolyn was told that although she would not be getting a warning on this occasion, she was told the company would not be so lenient next time. She was then told of the consequences of her breaching Section 20 of the Postal Services Act and of the penalty of up to 6 months in prison.

In fact Carolyn had not breached the provision of the Postal Services Act about divulging information gained in the course of her duties. The management had not bothered to ask her how she came to know that the mail items were a scam.

At her postie job Carolyn had been shown a US\$180,000 prize winning scratchie by another postie

who had received it from Solaris Empire Travel Malaysia in his private mail. The Postal Workers Union now has a second postie who also has a scratchie with a US\$180,000 prize from Noble Queen Tour Malaysia using an identical brochure with the same wording, ticket layout and spelling mistakes.

DOING THE RIGHT THING

When Carolyn saw that she had 20 identical envelopes from Malaysia the same as the scam prize envelope she told her team leader that she did not want to be party to having people lose money through scams - especially the rest home residents on her delivery round.

After twice refusing to deliver the scam mail the management called Carolyn to an investigation meeting. Carolyn explained that because the company had not acted on her evidence of the scam, and that the management had told the Postal Workers Union that the police would not be interested in the particular scam that she had raised, she herself felt compelled to follow what she had been trained to do by NZ Post - to "do what is right" and to uphold NZ Post values.

Carolyn was shocked that NZ Post did not commend her for her intentions in wanting to protect rest home residents from being scammed. Instead the company

used her explanation at the investigation meeting to tell her at second investigation report back of the penalty of imprisonment for any repeat of her action.

Carolyn has told NZ Post that she wants the company's policy on scam mail changed - that posties should be encouraged to assist in protecting residents from being scammed - the same policy that applies at KiwiBank. The Postal Workers Union wants NZ Post to alert community news media especially where scams appear to be localised. New Zealand Post says residents (presumably also those in rest homes) are free to check websites to see if they are being scammed.

CONCERN

Carolyn's concern is not only for the rest home and other residents on her delivery round but also for any unsuspecting residents from being caught up in a scam coming through the post.

It is especially concerning given that new scams are popping up all the time. Despite the threats from the company about dismissal Carolyn intends notifying residents of any scam mail that she is aware of. Employees who raise issues of law breaking with their employer first have a right and a duty to blow the whistle if their employer does nothing. This right is protected in NZ law.

Issue number 108 of "*M & C Workers News*" was prepared by the National Office of the Manufacturing & Construction Workers Union.

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The articles published in *M & C Workers News* are not necessarily the same as the policies of the union