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M&C Workers News

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Zero hours contracts banned

After a long campaign by workers and Unions, zero hour contracts have been banned in New Zealand. Instead employers now have to offer employees guaranteed hours and reasonable compensation when they want workers to be available.

The Employment Relations Act amendments come into force fully in April next year. The new law and its impact is outlined on pages 8 and 9.

Large demonstrations such as this one have been organised to raise awareness about the problem of zero hour contracts. Workers, unions, and others have made their thoughts perfectly clear on what needs to be done.

Also in this issue...

Union addresses Regional Council

With local body elections underway the Tramways Union has continued to press on in its campaign to safeguard members wages and conditions of employment through the new tendering arrangements for public passenger transport - known as PTOM.

Kevin O'Sullivan and Chris Morley, accompanied by Council of Trades Union president Richard Wagstaff, attended a Wellington Regional Council (WRC) meeting to address councillors on the issue. The meeting in September with Councillors was the result of an exchange of emails between Kevin O'Sullivan and WRC Chair Chris Laidlaw in August.

Stagecoach imposed further cuts in 1992 on top of the $11,000

Council officers had advised the union that tenders for Wellington bus work had been called for without any provisions in the tender documents to protect the wages and conditions of union members. The Regional Council was advised "our members will not subsidise public transport in Wellington by working for less than our current terms and conditions of employment whoever the employer might be."

"FAIR ENOUGH"

Chris Laidlaw replied "That's fair enough. I certainly wouldn't expect your members to work for anything less than their existing terms and conditions."

When challenged about supporting the PTOM tendering process which undermines the current terms of employment Laidlaw said that the Regional Council was not to blame, that it had no choice but to accept the government's agenda.

Thus it is plain - the government is the author of the wage cutting strategy and the Regional Councillors have fallen into line without a peep of public protest.

This was taken up at the Regional Council meeting. After hearing the union representations a number of Councillors questioned Paul Swain, former trade unionist and Labour MP who has guided the PTOM process, about why the tendering process had not protected wages and conditions. Mr Swain went red and said in effect - well you voted for it!

The union was invited to supplement its submission with further information about the effect of competitive tendering in 1992. Chris Morley sent an email to the Councillors pointing out in the first two years after tendering was introduced in 1991-2 workers lost on average $11,000. They were compensated for this loss, but not for the next 10 years after that.

Stagecoach bought the company in 1992 and imposed further cuts using provisions in the Employment Contracts Act that took the union 10 years to reverse.

From the work front...

Seven year quest for holiday pay ends with payment in full

After seven years long-standing Furniture Union member David Stevens got his final holiday pay from Cudby & Meade.

David resigned his employment in September 2009 because of the continual failure of the company to pay his wages on time. That matter was put before the Employment Relations Authority and resolved by a consent determination.

While the company agreed in the ERA it failed to pay until the union commenced an enforcement action.

$6000 HOLIDAY PAY

Once the ERA determination was paid the union approached the company for unpaid holiday pay. When he left the company it failed to pay David's holiday pay of over $6000.

Mediation failed to secure payment so the matter was filed in the ERA in 2012.

At the hearing the company's owner, Harry Memelink, represented the company. He failed to appear in person but was heard over the phone.

Some three months later the ERA issued its determination finding in favour of David Stevens.

ERA IGNORED

Cudby & Meade ignored the ERA's determination. The union filed enforcement proceedings. Eventually the matter went to the District Court to attempt to collect the money owed.

The matter stalled in the District Court when the Court refused to allow the union to act for its member. While the Court action was pending the company filed an out of time appeal to the ERA decision with the Employment Court.

The appeal resulted in a number of exchanges between the union and the company. Eventually the Employment Court threw out the appeal.

David was contacted by lawyer Gerard Dewar with an offer to help in enforce the original ERA determination in the District Court. In the face of this determined effort the company sought to go to the Court of Appeal to challenge the Employment Court ruling on the out of time appeal.

David Stevens

PAYMENT SECURED

The Court of Appeal did not hear the company's appeal. The lawyer was then able to secure payment from the company earlier this year, six and a half years after the event.

David had worked for Cudby & Meade for 20 years as a tradesman cabinet maker producing the company's quality furniture. The company dwindled over that time due to the importing of cheap foreign made furniture. The global financial crisis brought about the company's demise as an active manufacturer.

Throughout his time at Cudby & Meade David was a loyal union member. The union was pleased to be able to support David's claims in the legal system for the 7 years it took to get his rights honoured.

Collective agreement negotiations...

Tasman Tanning continues to undervalue skill

Tasman Tanning members accepted a 2% offer and ratified their CA for 2016-2017.

Members remain concerned and frustrated by the employer's refusal to acknowledge and act on the need for a structured training programme for new inexperienced staff. Such a programme would nominate and reward the shop floor trainers.

BUDDY SYSTEM

The company stated it was happy with the current buddy system it operates. In this system the longer serving staff take up the mantle of training with no real terms of reference for delivery or outcomes, and with no compensation or recognition in their hourly rate demonstrating the value of such work to the business now and going forward.

The members' had among other things put forward claims for two more pay steps that recognised and valued loyalty, experience, better productivity and higher skills.

At bargaining site delegate, Les Heke, argued strongly for the need to reward the longer serving staff who are the backbone of the business in terms of production and quality.

Les warned the employer that the longer serving staff were sick of not being valued and of training others who were often on almost the same hourly rate as themselves. He also reminded them that some had since left for that reason and others may follow.

EMPLOYER TAKES CHEAPEST OPTION

Les also made the point that the contractual right to move beyond the printed highest merit step rate through a review process was being deliberately stalled and or frustrated by the employer. He spoke of his experience and that in his view the employer simply wanted the cheapest option rather than rewarding higher skill, effort and experience.

At the claims meeting when talking about the merit steps and movement between or above them the overriding comment when talking about the process and the employer's approach, was, "No one wants to have a straight discussion with you".

Tasman doesn't value skills when it comes to long serving employees training new staff.

CHALLENGE TO UNFAIRNESS

The Union will be looking to challenge any process that is not run correctly and in a timely manner as well as any outcomes members believe are unfair and unreasonable.

Tasman Tanning also refuses to acknowledge the need for any additional paid sick leave beyond the legal requirement of 5 days despite the inherent unhealthy environment of tanneries, the higher average of paid sick days in other CAs and the genuine need as claimed by members.

Employers claim prolongs negotiations

Collective agreement negotiations with Veridian Glass concluded after three months with a new collective agreement being ratified.

Union members rejected the first agreement proposed by the company because of a company claim to change hours of work. The company wanted the ability to change starting times for individual employees by 2 hours after consultation. There was no right to refused the new hours once the consultation had occurred.

The company offered as a carrot for this change an increase to meal and shift allowances by $1.

Union members wanted payment of redundancy if they could not work the new hours. The company rejected this.

WITHDREW CLAIM

Eventually the company agreed to withdraw their claim and the current wording remained.

The agreement is for a 2 year term with a 2% increase for the first year and 2.5% for the second year.

It was also agreed that Drivers employed to deliver company product would give the company access to NZTA to check licensing.

The wage increase was backdated to the expiry date of June 30 2016.

Bad faith at Van Lines

NZ Van Lines collective agreement was signed off on 20 September following the proposed terms being reluctantly ratified by members.

The negotiations had commenced in October 2015 with the First Union also taking part. During the negotiations the company's ownership changed which contributed to the negotiations being prolonged.

IN HOUSE UNION

Previously negotiations had been difficult because an in-house union, the Van Lines Union, had been set up to stop real unions getting membership. The VL Union fell over after a significant amount of its funds went missing.

The company negotiators still employed the same tactics against the unions of delay and bad faith conduct. While the negotiations over establishing wage grades and rates were on-going the company approached individual workers offering them a pay increase. The pay increase accepted then formed the basis of the company's offer to unions.

FIVE GRADES

When these offers were made enquiries took place about union membership with it being stated that the union had nothing to do with the increase being offered.

The wage rates are now in 5 grades with the lowest rate being the minimum wage $15.25. The top rate, for those taking charge is over $19.00 per hour. The different grades are skill based, but increases in pay within the grade can be stopped by the employer for reasons for poor attendance and appearance and inability to communicate clearly with customers.

Negotiations will not improve at this company until more of its employees join a union.

Bad faith conduct by the employer continues at NZ Van Lines in collective agreement negotiations

Collective agreement briefs...

The collective agreement with Hutt Valley vehicle and partition manufacturer Hale Manufacturing was renewed for a one year term. The wage increase agreed was 3%.

TAYMAC

The collective agreement for members at the Christchurch stainless steel fabricator and engineering company was renewed with a 50 cents per hour wage increase.

GELITA

The union members at the gelatine producing factory in Woolston agreed to a wage increase of 3% for the first year of a three year agreement. Wages in the second and third years will increase by 1.25% each year.

Slow progress on salaried agreement

After the completion of bargaining with Wellington City Transport to renew the collective agreement the union initiated bargaining for four salaried members for a collective agreement.

The union members have long standing issues with the company. They are on individual agreements that don't include redundancy compensation, pay increases equal to those of the current collective agreement, additional sick leave, or reimbursement of travel expenses incurred carrying out the employers business.

Before taking on the roles the union members attempted to sort these issues out. They were promised that they would be addressed. When nothing happened the union attempted to include them in the coverage of the collective agreement. The company refused to add the salaried employees to the collective agreement but promised to alter their individual employment agreements.

Those promises were not kept by the company leading to coverage again being sought in the current collective agreement negotiations. This was again refused leading to the union initiating bargaining for the 4 salaried members.

OBJECTIONS

When negotiations for the new agreement got under way the company raised a number of objections to negotiating a collective agreement for the 4 salaried staff.

David Thomson is advocating for salaried members

The union negotiators have answered all of the issues raised by the company

- the agreement will only be for current members; and,
- the provisions will be specific where required.

The company has failed to come back to the union in a timely way so has received a further "reminder" from the union that this issue can't be escaped.

Spotless bargaining goes to mediation

Bargaining for Spotless in Palmerston North for maintenance staff has been ongoing since June 2014. At the time of joining the union members were on IEAs and wanted to collectivise.

Following bargaining meetings it was agreed that members would accept an increase in line with others at the time for the period 2014-2015 and the parties would take time to exchange information to establish the current terms and conditions of all members. Once agreed a proposed working CA containing all current terms and conditions was drafted. Some personal to holder issues were also confirmed. To date, members have had no further increase or changes to terms and conditions since 2014.

By agreement the Union is making application for mediation as the parties have hit an impasse and the BPA requires a mediation process prior to consideration of industrial action. The final two sticking points are the application date for an increase, which is likely resolvable and the payment for on call work, which is very unlikely to be agreed in bargaining.

$250 CLAIMED

Members put forward a claim for a weekly on call rate of $250.00, which is the average rate paid by health sites. The rate paid at the time of putting forward the claim was 0.78cph or $100.44 per week gross.

Spotless have made an offer of increasing the weekly on call rate by 50% during the term of the proposed CA, but given the gap between the paid rate in 2014 and the paid average claimed was 150%. The offer doesn't recognising the onerous nature of being on call. Accordingly, members have voted not to ratify that offer.

Changes to the ERA in the union's view support the members' claim. Sections 67(d) (**Availability Provision**), among other things, requires the employer to pay ***"reasonable compensation"*** for being available for extra hours and section 67(e) entitles members to refuse to perform additional/extra hours if among other things, they are not being reasonably compensated through an availability provision under section 67(d).

At mediation the Union will continue to promote that the rate offered is unreasonable, taking into account the average paid at similar work sites NZ wide, but also, based on the changes to law, is not legally compliant and members can therefore legally refuse to perform that work.

Parental leave entitlements strengthened

In conjunction with the increase from 14 – 18 weeks changes to parental leave aim to better reflect current work and family arrangements, provide more flexibility and choice, and support parents' attachment to work.

While it was announced in 2014 however it has taken two years for the government to change parental leave and parental leave payments.

NON-STANDARD WORKERS

The changes extend parental leave payments to people with non-standard working arrangements. This includes casual, seasonal, temporary and fixed-term employees and workers with more than one employer. Also, workers who recently changed jobs are now entitled to parental leave payments, provided they meet the other work-related criteria.

Eligible workers who have multiple employers can combine their hours and income from each job to maximise their payment (up to a maximum cap).

Parents still have the option of choosing parental tax credit instead of paid parental leave.

Parental leave payments and leave entitlements have been extended to primary carers such as Home for Life parents, whāngai, grandparents, and other primary carers. A "primary carer" is a person who takes permanent primary responsibility for the care, development and upbringing of a child under the age of 6 years.

To be eligible, primary carers need to meet the same work-related criteria as birth mothers and adoptive parents.

In the past all parental leave had to be taken full-time and in one continuous block. When the employee returned to work they lost any remaining parental leave entitlements.

Now employees can take the unpaid leave flexibly, or return to work for a period of time and take the remainder of their unpaid leave later in the year, provided there is mutual agreement with the employer.

WORK DURING LEAVE

The changes also allow workers to work up to 40 hours during the 18 weeks of paid leave. Keeping in Touch hours are not compulsory and must only be used by mutual agreement between the employer and the employee. They also need to agree on the terms of work and the type of work to be undertaken.

The baby will need to be at least four weeks old before the Keeping in Touch days can be used. This is to protect the baby's and the birth mother's health.

Workers who have been with their employer for more than six but less than 12 months, are now able to take unpaid leave in addition to their paid leave, up to a total period of six months. For example, if the employee takes 18 weeks paid leave, they can also take eight weeks unpaid leave.

This aligns with the World Health Organisation's recommendation of exclusive breastfeeding for six months.

Employers can choose to give their employees longer unpaid leave.

RESIGNATION

The changes allow workers to resign, if they wish, and still receive payments. While this may give more choice to employees it has the potential to be abused by employers.

It is possible if the employer does not want to hire a temporary replacement it will attempt try to get an employee to resign. This will then allow an employer to get a permanent replacement.

The penalty for people who make a false statement, or intentionally mislead the relevant agencies has increased from $5,000 to $15,000. This penalty is supposed to reflect the increased maximum parental leave payments a person can receive and aims to deter people from committing fraud. It remains to be seen whether it will have that effect.

The new law also extends the period of parental leave payments for parents of preterm babies. Now they can receive additional payments– up to a maximum of 13 weeks – for each week the baby was born prior to the 37 week gestation period.

Zero hour contracts ban potentially does more

Following the passing of the Employment Relations Amendment Act 2016, zero hour contracts are now illegal in New Zealand.

Out of all the recent employment law changes none has received as much attention as the ban on zero hour contracts. This is because this type of contract creates a large imbalance between employees and employers. As a result, a number of Unions have long campaigned to have zero hour contracts abolished.

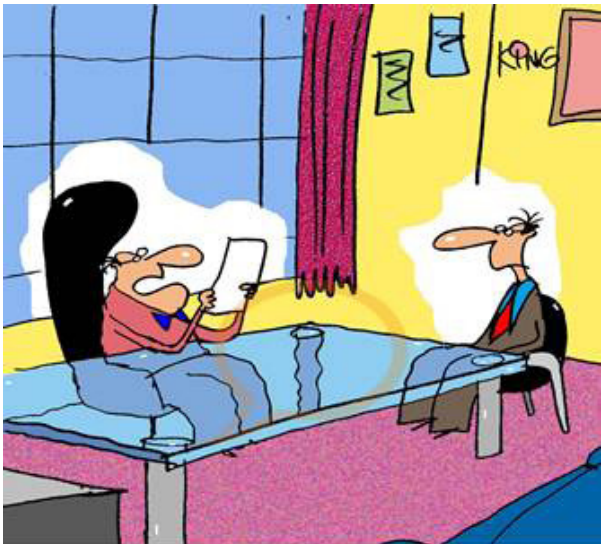
ZERO HOUR CONTRACTS

But what exactly is a zero hour contract? Simply it is an employment agreement where an employer can require its employees to attend work for the hours it sets, but with no guarantee of the number of hours to be provided each week/shift.

For employers zero hour contracts are great. It gives them the ability to pay for only as many staff as they need at one time. When an employer has busy periods it can require employees to work but when it is quiet it does not have to offer them any work. Not only do zero hour contracts allow an employer to keep its wage bill low they provide them with a cheap source of cover when other employees cannot work.

For employees however, zero hour contracts are terrible. Many face financial strife because of unpredictable hours and having to maintain constant availability causes them to struggle to have a life outside work or to undertake additional employment.

So why don't more employers have zero hour contracts? Well in some industries it is unsuitable because the level of work does not change much. In others it does not work because an employer has limited staff in a particular role. Another reason is that simply the employer does not have the power to implement zero hour contracts because employees simply will not accept those conditions.



"Before you come to work for us, it's required you sign a contract. No need to look at the fine print about the pay, hours or benefits. It's really not that important."

Therefore, zero hour contracts tend to be seen where an employer needs lots of similarly skilled workers. For this reason, they were common in the fast food industry. However, that has now changed.

PROHIBITED PRACTICES

Under the new laws, the following are illegal:

- employers requiring employees to be available to work for more than the agreed hours without having a genuine reasons based on reasonable grounds; and
- employers requiring employees to be available to work for more than the agreed hours without paying reasonable compensation for the number of hours the employee is required to be available.

Fast food companies like McDonalds are among the largest users of zero hour contracts.

GUARANTEED HOURS

Therefore an employer cannot require its employees to attend work for the hours it sets without having first guaranteed hours and paying reasonable compensation for the hours on top of that an employee has to be available for.

Where the employer and employee agree to set hours of work, they will be required to state those hours in the employment agreement. This includes agreement on any or all of the following:

- the number of guaranteed hours of work,
- the start and finish times,
- the days of the week the employee will work
- any flexibility in the above.

The employer and the employee do not have to agree on hours, times or days, but when they do, anything that is agreed must be recorded in the agreement. This will ensure employers and employees are clear in their commitments to each other.

In cases where no hours were agreed to, the employer must provide an indication of the arrangements relating to the employee's working times. This is consistent with the current law.

PENALTY

Employees will be able to apply to the Employment Relations Authority for a penalty against their employer, if they agreed on hours, but have failed to record these in the employment agreement.

If an employer wants to be able to require their employees to work above their guaranteed hours (i.e. overtime), they need to have a specific clause in the agreement called an "availability provision".

The provision in the contract must set out an additional period of time where the employer may require the employee to be available to work. Importantly, employers can only use an availability provision where there are genuine reasons based on reasonable grounds to have one.

When considering whether there is a genuine reason based on reasonable grounds, employers must consider all relevant matters including:

- Whether it is practicable for them to meet their business demands without using an availability provision
- How much availability they're requiring and the proportion of the availability to the number of agreed hours of work.

It is uncertain how the Authority or the Courts will interpret this requirement. It is likely most employers will be able to provide a reason unless the guaranteed hours are substantially less than the hours an employee is required to be available for.

REASONABLE COMPENSATION

When establishing what compensation an employer offers to an employee in exchange for their availability, employers must consider all relevant matters including:

- The number of hours they are requiring an employee to be available
- The proportion of the availability to the number of guaranteed hours
- Any specific restrictions the availability provision requires (e.g. must not drink while on call)
- The employee's regular pay rates
- If the employee is paid by salary, the amount of the salary.

One of the specific areas were the new laws are expected to have a large but unexpected impact is in the calculation of standby/call-out rates.

EFFECT ON CALL-OUTS

Workers who do call-outs are not generally on zero hour contracts because they have guaranteed hours during the week. However, in addition to these hours they are required to make themselves available when the employer needs them to do callouts.

This type of work is very onerous on employees because they cannot fully participate in life outside of work while being on-call.

Now employers must have regard to all relevant matters including those used to determine whether compensation is reasonable. Currently the Union is in a dispute with Spotless (see pg 6 *Spotless bargainning goes to mediation*) that illustrates this issue. The Union believes Spotless offer is unreasonable and without regard to factors the new laws require it to consider.

The exact impacts of the law change are not clear yet because the new laws will only apply to employment agreements that are entered into after 1 April 2016. As regards employment agreements that were in force immediately before 1 April 2016, the position is that the new laws will not apply until there is a new collective employment agreement or 1 April 2017 for individual agreements.

The Unite union protesting to end zero hour contracts. Unions were at the forefront of the campaign to end zero hour contracts.

Health & safety...

Work fatigue a major safety issue

Fatigue is an important factor affecting safety at work. Once work is finished for the day it is still important in keeping safe.

According to the Ministry of Transport 9% of all fatal traffic accidents between 2012 and 2014 in New Zealand were caused solely by driver fatigue. It was a factor in hundreds of accidents where an injury was sustained. The MoT notes that time spent at work can increase fatigue having an effect on those who drive for work, as well as a subsequent effect on driving after work.

FATIGUE IMPACTS

Fatigue is a physiological condition that occurs long before you fall asleep. It has a negative impact on your reaction time, your ability to concentrate and your general understanding of the conditions around you. It contributes to you being less safe at work.

Poor organisation of work can create fatigue that is a hazard to both health and safety. The main such contributors to fatigue identified by OSH include

- shift work, particularly shifts that rotate the days and or hours worked;
- long work hours especially over successive days;
- high physical or mental effort;
- adverse environmental conditions, for example very hot or cold conditions, increasing both physical and mental effort.

The poor organisation of work that causes fatigue is something that workers and unions can challenge. If union members are reporting experiencing fatigue, and near miss accidents can be a feature of the job making concentration vital, the union is entitled under the Employment Relations Act to organise strike action to deal with the problem. This action is not by law limited to collective bargaining.

On the other side of the coin, some employers are limiting work opportunities for overtime by hiring "casuals" to avoid the potential for fatigue.

CASUALS

Genuine casuals are relatively rare. The requirements of the Employment Relations Act that come into play in April 2017 will make it more expensive to engage such workers. Even if they don't work for their availability to cover certain days or hours they will need reasonable compensation. This financial obligation on the employer may result in more demands for excessive hours from the permanent workforce.

Casuals on the roster

Wage rates for many workers in New Zealand are low. Overtime can help to alleviate the economic stress.

At the Wellington Combined Taxi call centre overtime is reduced by the use of casuals. These casuals, however, are put on the roster and not simply called in to cover unexpected absence.

The casuals may in fact be permanent part timers with no fixed hours. From April 2017 they will need to be reasonably compensated for their availability to pick up work.

The union has attempted to discuss the fair allocation of work with the employer.

Accident prone roster

New Zealand Post is introducing electric vehicles into a combined mail and parcel delivery service. This was discussed in the collective agreement negotiations and an overriding concern was that it be safe.

The PWUA and the company have not reached agreement on the safe introduction of Paxsters. In particular the proposed rosters cause the union great concern. The rostered hours can be 56 over a 7 day period with no limit on overtime. The union sees this as a recipe for fatigue and accidents at work.

The company has rejected union obtained independent advice on the proposed rosters.

Paxsters could be driven for most of an up to 11 hour day.

New restrictions on cancelling shifts

In support of the ban on zero hour contracts employers now face restrictions on when and how they can cancel shifts

Another issue which can have a serious impact on workers was the practice of cancellation of shifts when an employee was already on their way to work, or halfway through a shift, with no compensation. This was particularly hard on workers if they had invested time and money into transport to work, childcare or otherwise arranged their life to attend work, only to have their shift cancelled, often at short or no notice.

REASONABLE NOTICE REQUIRED

Now employment agreements must contain a provision setting out reasonable notice for shift cancellation. If there is no such provision, or if the shift is cancelled after it begins regardless of the provision, the employer must pay for the full value of the shift if they decide to cancel.

DETERMINING REASONABLE NOTICE

If there is a cancellation provision, the notice provided must be reasonable to avoid any payment for the cancellation. There are set considerations in the Act for determining the notice period, these include:

- The particular nature of business
- The ability of the employer to control or foresee cancellations
- The nature of the employee's work and the likely effects of a cancellation on employees
- The nature of the employee's employment arrangements including whether they have guaranteed hours and if so, the number of guaranteed hours

but it will remain to be seen how the Authority and Court interpret those criteria.

LAST MINUTE CANCELLATIONS

Further, if an employer cancels a shift after the notice period, but before the shift begins, they will have to pay the employee an agreed amount of compensation. As with the period of notice, the compensation amount must be determined with regard to set considerations however these have not been determined. It is unfortunate that the law did not provide some guidance and instead left it up to unions to take employers to court to sort out these requirements.

Prohibiting unreasonable deductions from wages

Changes to the Wages Protection Act will make it harder for employers to make deductions from wages

The current law already requires employee consent to deductions from wages. However changes will impose more obligations on employers.

CONSULTATION REQUIRED

The new legislation will mean the employer must consult with the employee on each specific deduction, even where the employee has given general consent to deductions in their employment agreement. This obligation does not extend to lawful deductions for things like Kiwisaver or student loan repayments etc.

This should finally put to rest employers having general wage deductions clasues in employment agreements. These have not been very effective for employers in the past because the Courts have said explicit informed consent was needed.

REASONABLENESS

The changes will also mean that even where there is consent, a deduction must not be unreasonable. For example a deduction to cover losses caused by a third party through breakages or theft may be unreasonable, particularly if the employee had no control over the third party conduct.

DISPUTES AHEAD

The changes still leave somethings uncertain. Primarily how will it be determined whether a deduction is reasonable or not? On the hand this was probably left deliberately vague because whether a deduction is reasonable will depend on the circumstances. However, there is also a danger that employers mauy simply use this uncertainty to disregard this requirement and continue to make whatever deductions they think are appropriate. It will be up to employees and unions to hold employers accountable.

PWUA settles dispute about removal of registered mail

The Postal Workers Union of Aotearoa (PWUA) has prevented NZ Post from taking registered mail away from Posties

NZ Post has failed to comply with the collective employment agreement (CEA) by removing international registered mail items from posties without consulting the PWUA.

NZ Post's gave two excuses for the change. First was better customer experience and secondly NZ Post could save money because couriers it subsidies could deliver the registered items at no extra cost.

While some posties did not mind the change, others lost out. The most affected posties stood to loose between $100 - $200 per week.

When NZ Post refused to acknowledge its mistake the PWUA filed proceedings in the Employment Relations Authority. Normally, the first step in this process is mediation. While NZ Post agreed to this they also tried to play games. Instead, of going to mediation in Auckland where the proceedings were filed, NZ Post would only go to mediation in Christchurch or Wellington.

NZ Post at it again by attempting to take registered mail away from posties without consulting the PWUA

The PWUA then filed further proceedings with the Employment Relations Authority to force NZ Post to attend mediation in Auckland. This order was granted and mediation was to occur on 22 September 2016.

However 1 day before, NZ Post offerred and the PWUA accepted a settlement of the matter which resolved the PWUA's problem for the time-being.

However NZ Post's actions in this case are worrying. Yet again the company tried to ignore the CEA. It tried to do whatever it pleased without any regard for the consequences of its workers some of who would have been serverly financially penalised had the PWUA not stopped NZ Post.

Tougher sanctions in law

Continued from page 13

If it wishes, the Authority will continue to be able to send standards cases to mediation if they are mixed up with other employment relationship problems, or if it considers that mediation can help (for example, through clarifying the facts of the case).

As these sanctions are new their effect is uncertain. The intention is that increased sanctions will deter bad behaviour by employers. However as long as employers believe they can get away with certain actions they will try them regardless of what sanctions they may be liable for in the Authority or the Court. Therefore it is important that employees stay organised and united to better leverage the benefits of tougher sanctions.

Variety of electric vehicles used now in European mail delivery

Continued from page 15

The Paxster drivers are required to wear a vest to carry the different mail bundles wherever they walk short loops so as not to carry two or three bundles and circulars on their forearms. Some delivery is done directly from sitting in the Paxster.

The underseat handbrake is used when leaving the vehicle. The handgrip/thumb brake is used at non dismount stops without problems.

For winter the handgrips are heated by using a switch on the handle bars, a necessary feature excluded from NZ Paxsters.

It was very clear that the successful introduction of Paxsters in Norway was born of five years of discussion, investigation, consultation and agreement processes and trials involving the company and union at all levels.

New Zealand Post does not have five years to adapt to changing mail volumes but the PWUA continues to have serious concerns about the safe introduction of Paxsters in New Zealand.

Tougher sanctions in law

The Employment Standards Legislation Bill included measures to strengthen enforcement of employment standards.

Employment standards are requirements such as the minimum wage, annual holidays and written employment agreements. They protect vulnerable workers and help to ensure workplaces are fair and competitive. Measures in force since 1 April 2016 target the worst transgressions of employers.

INCREASED PENALTIES

For the most serious breaches, such as exploitation, cases will now be heard at the Employment Court and carry maximum penalties of $50,000 for an individual and the greater of $100,000 or three times the financial gain for a company. Previously the maximum fine was $10,000 for an individual and $20,000 for a company.

Employers will be publically named if the Employment Relations Authority or Employment Court finds they have breached minimum standards.

Individuals also face the possibility of being banned as a manager if they commit serious or persistent breaches of employment standards, or are convicted of exploitation of migrant workers under the Immigration Act.

Persons other than the employer – such as directors, senior managers, legal advisors and other corporate entities – will now also be held accountable for breaches of employment standards if they are knowingly and intentionally involved when an employer breaks the law. This is a potentially powerful tool as of these are the people are the heart of problems . Previously Unions never had a means to hold them accountable for their actions. Instead Unions generally had to rely on these people looking bad in the eyes of the employer.

Institutions such as the Employment Relations Authority can now impose harsher sanctions.

POSITIVE CHANGE

Another positive of this change is that these cases can be pursued even if the employer ceases to exist.

Persons other than the primary contravener will only be accountable if they are knowingly and intentionally involved in a contravention of the employment standards provisions.

These provisions only apply to 'officers' of the company, being directors and other individuals who occupy positions where they exercise significant influence over the management or administration of the business.

The accountability provisions can also potentially cover individuals or other companies in a contractual relationship with the employer (for example, a legal advisor who aids the employer to manipulate corporate structures to avoid paying entitlements).

INDICATIVE LIST FOR COURT

The new law also provides an indicative list of factors for the Employment Court to consider when determining whether a breach of minimum standards is serious, such as the amount of money involved, how long the breach has gone on for and whether it was intentional or reckless.

More employment standards cases, particularly those that involve more serious and systemic and/or intentional breaches of employment standards will be resolved at the Employment Relations Authority or Court, rather than being automatically directed to mediation services in the first instance as was previously the case.

For many serious and systemic and/or intentional breaches, mediation is not appropriate. Alleged standards breaches are matters of fact to be determined, as opposed to other employment relationship problems for which mediation between the employer and employee is more suitable.

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International news...

Variety of electric vehicles used now in Europe mail delivery

PWUA Southern District President, John Maynard, took the opportunity to visit Postie branches in both Norway and Denmark while on holiday investigating the use of Paxsters that are being introduced into our delivery network by NZ Post.

His report of what he found differs from the stance taken by NZ Post in its plans to introduce the electric delivery vehicles.

NZ Post's line on successful operation of Paxsters in Denmark is misleading. Denmark only ever had Paxsters on a trial basis. It has now cancelled it's orders for Paxsters and will change to an electric bike, it being preferred for the delivery of mail and small parcels. Sweden also trialled Paxsters without success.

Danish Post decided against using Paxsters because they are not suitable for the road layouts, with not enough carrying capacity and not enough battery capacity.

Denmark has dropped Paxsters for the electric vans above, and electric bikes.

Copenhagen has an extensive network of cycle lanes as did a small city nearby, Roskilde. Paxsters are not permitted to drive on the footpaths or cycle lanes and they must remain on the road. The few posties involved the trial of Paxsters in Denmark had no problems with them, but none ever drove them for over 10 hours as could happen here.

SHIFT ROTATION

Posties in Denmark work on a 12 week shift rotation that averages 37 hours a week. Up to 98% of their mail is machine sequenced sorted. There is a small amount of hand sorting at a sorting case. Posties come to work in three waves so as to not overwhelm the space in the short time they are at the depot and to minimize the number of sorting cases. The sorting cases have a button which triggers the case strips for the different rounds sorted on that case.

Delivery is six days a week but posties work five days a week. Fridays and Saturdays are the heaviest days when permanent part timers are brought in. Rostered daily hours of work vary 7.5 to 8.5 hours a day. However it seems in practice Tuesdays and Wednesdays are around 6 hours and Fridays and Saturdays up to 11 hours. A Paxster postie said he had driven the vehicle for over 7 hours without any problems.

A small electric van is used for over 2 kg parcel delivery. Vans have a trolley, like NZ couriers do, to help with handling heavy items safely.

NZ Post told the unions Paxsters were driven for more than 5 hours a day in both Norway and Denmark. Denmark was said to be 8 hours. NZ Post maintains Paxsters could be driven for up to 10.5 hours a day. There was no experience in Denmark or Norway to confirm that this was possible or safe.

Norway Post is moving from petrol driven cars and vans to electric vehicles - electric Paxsters, small electric Renault vans and Green "Bring" petrol driven parcel delivery vans.

PAXSTERS AND VANS

A branch visited in Norway used a combination of Paxsters and Renault vans - about half of each type - depending on distance travelled and the volumes of mail. For example a van is used where there is delivery to more distant parts of the city.

Three management representatives, two posties, a union official, the branch delegate and one of the Paxster drivers provided the facts and gave their opinions.

Norway has five day a week delivery. The posties start work at 9.00am and work until 5.10pm. Most return to the branch for lunch. It appeared to take less than 30 minutes to load up, do redirec-

A Norweigan postie loads her Paxster for her 7 hours on the road.

like the NZ Post courier van network). Parcels in the delivery depot looked less than 2kg.

The posties do not need scanners and are not required to carry mobile phones. The Paxsters are not permitted to drive on the footpath.

PREFERRED

Compared to delivering mail by car the posties much prefer the ease of getting in and out of the Paxsters.

The mail arrives at the delivery branch on pallets in small plastic crates ready to be loaded directly into the Paxsters. There was no sorting at the branch.

tions and other inside tasks and drive out of the depot.

Parcel delivery using green vans are seen all over the city and are based at a separate depot (much

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Slave wage rates enrich multinationals

Production tied to multinational corporations has grown world wide. One fifth of the global workforce are employed in the global supply chains of multinational companies.

The sourcing model used by multinationals are designed to maximise their profits. This results in a high level of supply chain companies abusing their employees by poor wages and conditions and offering mostly only casual work.

Price $900 wages $4

An example of the profits of multinationals versus the treatment of workers was provided by US company Apple.

In the last three months of 2015 Apple reported the biggest ever quarterly profit by a corporation: US$18.4 billion. Its cash reserves at the time were $216 billion.

The Apple iPhone 6 sells for about NZ$900. The wage component of the workers who produce the phone is NZ$5.75.

APPLE PICKETED

Workers employed by Apple supplier NXP in the Philippines at first had little success in their employment negotiations.. The union organised protests at Apple stores demanding the company get NXP to improve its labour practices.

The tactic or targeting the multinational worked in this case to get an improved labour agreement.

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

A Guatemalan trade unionist , Brenda Estrada, was murdered in June, the fourth trade unionist to be murdered because of their union work this year. The International Labour Organisation has condemned the systematic violations of freedom of association in Guatemala by intimidation, violence kidnappings and murder.

KCTU PRESIDENT JAILED

Han Sang-gyun, president of the Korean union federation was jailed for 5 years for organising demonstrations. He had previous been jailed for three years for taking part in an occupation of a Ssangyong factory.

INDIA LAW CHANGE

The Indian government announced a $1.3 billion assistance package for the country's garment industry. Law changes were also announced to facilitate casual and temporary employment which can only enrich factory owners at the expense of workers.

PRIVATISATION

In early June workers employed by the Brazilian state owned oil company Petrobas engaged in actions to protest the planned privatisation of the company claiming it would cause job lesses.

Budget 2016: Welfare or warfare?

Military spending

$3,696,554,000(a)

⬆ $580,053,000(b)

= more than $71.08 million every week

Social investment

New funding for the "most vulnerable New Zealanders"

$163,025,000(c)

= less than 17 days of military spending

Overseas development assistance

$659,417,000

= 17.8% of the level of military spending

Peace Movement Aotearoa, 26 May 2016, www.converge.org.nz/pma/gdams.htm

(a) Votes Defence, Defence Force and Education (b) Increase from 2015 Estimated Actual Spending (c) $652.1 million over four years = $163,025,000 each year

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