

INDUSTRIAL RELATIONS CHRONICLE

APRIL, 1977

The fifth and final stage in the implementation of the Equal Pay Act 1972 came into effect on 1 April. The Act provides for the removal of discrimination in cases of remuneration based on an employee's sex. Organisations watching the progress towards equal pay observed that the legislation did not entitle women to equal opportunity. Nevertheless they urged women to ensure that they were receiving the full benefit of their rights under the equal pay legislation.

The Federation of Labour, in submissions to the Royal Commission on nuclear power generation, warned of problems with workers refusing to handle nuclear equipment if safety measures were not given absolute priority. The Federation reiterated its opposition to nuclear power until it was shown to be safe and not harmful to the environment.

The Hotel, Hospital and Restaurant Workers' Federation announced at its annual conference that nine unions covering kitchen workers were to mount a nation-wide investigation into alleged malpractices in the employment of young people in their industry.

The Federation of Labour, in submissions to the select committee on the Human Rights Commission Bill, said that parts of the Bill denied the rights of trade unions to organise and were a further example of government policies aimed at making unions ineffective.

To back their calls for relativity with other occupational groups in Government service, social workers in the Probation Service, in hospitals and in the Departments of Social Welfare and Maori Affairs banned a number of essential services. Probation officers banned the preparation of reports on convicted persons awaiting sentence, Social Welfare Department social workers banned reports on children or young people due to appear before the Children's Court, and Hospital Board social workers banned work required for patients due to be discharged. The bans were lifted following a number of assurances from the Minister of State Services, Mr Gordon, on workloads, salaries and relativities.

With the Wage Adjustment Regulations due to expire on 14 May a number of people began to make known their views

on what arrangements should follow the year-long wage freeze. Sir Thomas Skinner, President of the Federation of Labour, said that the regulations should be allowed to expire and unions permitted to negotiate freely with employers. The Prime Minister said that the Government was seeking an interim arrangement on wages after 14 May which called for voluntary restraints. This would anticipate legislation on some more permanent wage-fixing mechanism later in the year. The Minister of Labour, Mr Gordon, said that two or three options were open to the Government covering this interim period but declined to say what the options were. Speculation continued that the Federation of Labour would apply to the Wage Hearing Tribunal for a further general wage order.

The breakdown of 18-month long negotiations between the Local Authorities' Passenger Transport Association and the New Zealand Tramway Workers' Union on a national award for bus drivers precipitated a series of weekly 48-hour bus stoppages in the main urban centres. Main points on which negotiations finally foundered were disagreements over the rostering of drivers on broken shifts and the employers' wish for greater flexibility of staff during peak periods. Transport authorities talked of suspending weekend bus services if the strikes continued and the Auckland Regional Authority gave 14 days notice of suspension of services from 7 May. Three Auckland members of the national executive of the Tramway Workers' Union, including the national president and the national vice-president, resigned from the executive because of disagreements on conditions for settlement of the dispute. In Auckland a law student filed a writ of injunction in the Supreme Court against the bus drivers' union alleging a

breach of section 125 of the Industrial Relations Act 1973 which requires that unions in an essential industry give at least 14 days notice of intention to strike. The court granted an interim injunction effective from 2 May restraining the Tramway Workers' Union from inciting, instigating, aiding or abetting any future offences by its members against the provisions of the Act.

Kellax Foods Ltd, meat wholesalers and smallgoods manufacturers obtained restraining orders from the Supreme Court against the Auckland Freezing Workers' Union. A black ban, placed by the Union on an Auckland meat plant because of a dispute with the Butchers' Union over coverage of workers at the plant, was lifted after injunctions were served on the union and its officers.

MAY

In spite of the Supreme Court's interim injunction a third two-day bus strike was held in the main regional centres. Union officers withdrew union funds from bank accounts in anticipation of a writ of sequestration from the Court. After a closed debate at the Federation of Labour's 40th Annual Conference in Wellington it was agreed that the Tramway Workers' Union, while continuing to negotiate with the employers on the question of a new national award, would leave the issue of the injunction to the Federation's national executive. The FOL passed a resolution that any affiliate of the Federation that was subjected to the use of an injunction would receive the full support of the Federation. A special committee, including the national executive and the presidents of the Auckland, Wellington, Christchurch and Otago Trades Councils, was set up by the Federation to decide on steps to be taken in any future actions of the courts against the trade union movement and to consider the whole question of the use of injunctions against affiliates. Trades Councils were advised to prepare plans for action in the event of unionists being subject to penalties for defying the injunction against the Tramway Workers' Union.

The Auckland law student, Mr Harder, filed an application in the Supreme Court for sequestration of the funds of the Tramway Workers' Union and for writs of attachment against the union officials on the

grounds that the union had breached the Court's interim injunction. The union gave notice of appeal against the interim injunction and asked for a stay of proceedings, pending the outcome of that appeal.

Sir Thomas Skinner, in his presidential address to the FOL Conference said that there had been a serious deterioration in union relationships with employers because of government's determination to interfere with the normal negotiations between the two parties. He said that government must be seen to be a neutral party in industrial relations, trying to balance the inevitable conflict between the two sides, and that the trade unions were determined to establish their right to negotiate freely with their employers without state intervention. On worker participation, which Sir Thomas defined as giving unions equal say in the running of business, he said that the Government had created a climate so appalling that even an attempt to discuss the topic with employers would founder in the present hostile atmosphere. Amongst the actions agreed by the conference were:

- ✦ condemnation of the government's foreign policy of continued support for sporting contacts with countries practising apartheid;
- ✦ the instigation of a survey to investigate the effects of migrant labour on local working conditions, to highlight any injustices in the working conditions of migrant workers, and to evaluate temporary work schemes as a form of aid to the Pacific Islands;
- ✦ support for the Auckland Trades Council green ban on Bastion Point and for any district trades council which took action to prevent the exploitation of public reserves, and of Maori or Crown land;
- ✦ the setting up of a working party to make recommendations on trade union education within unions;
- ✦ opposition to the introduction of inflation accounting in New Zealand;
- ✦ to move ahead on the grouping of unions on an industry-by-industry basis.

The Leader of the Opposition, Mr Rowling, promised the conference that a Labour government would scrap the penalty provisions in the present industrial legislation. The conference pledged full support to the Labour Party. The Drivers' Federation president, Mr Ken Douglas, became the first member of the Socialist Unity Party to be elected to the FOL's national executive.

The 48-hour bus strikes were called off and, after a conciliation meeting between the Tramway Workers' Union, the Local Authorities' Passenger Transport Association and the industrial conciliator, Mr Gerbic, terms of a new award for bus drivers were settled.

In the Supreme Court, the Tramway Workers' Union was fined \$100 and had \$200 costs awarded against it for contempt of court. Mr Justice Chilwell ruled that the union was in breach of the interim injunction granted on 28 April, in that its withdrawal of labour on 5 May was illegal, and that it was in contempt of court because the interim injunction required it to restrain its members from striking without 14 days' notice. In imposing a modest fine he said that he took into account that a mistake had been made by the union in interpreting section 125 of the Industrial Relations Act 1973. Other motions for writs against the union and its officials were withdrawn. During the case Mr Justice Chilwell ruled that television interviews could be used in evidence and not treated as "hearsay," thereby creating a precedent in New Zealand law (for further discussion of the legal arguments in this case see 'Industrial Law Cases' in this issue).

The wages freeze was extended for three months to 14 August by the government. The three month extension of the freeze also applied to professional charges, directors' fees, and dividends, and the restrictive criteria for fixing rents continued. The Prime Minister said that the extension was necessary to avoid the risk of an explosion in wages at a time when inflation was showing some signs of moderating. The government, he said, had hoped to have new wage fixing machinery ready by 14 May but this had not proved possible and it now intended that the new award round in October would coincide with the implementation of the new wage fixing system.

The government withdrew the wage-fixing proposals it had placed before the Federation of Labour as the FOL and the Employers' Federation agreed to set up a joint working party with the Department of Labour to recommend new wage fixing proposals to government. The Combined State Services Organisation, which for some time had been complaining about lack of information from government on wage fixing proposals, was told by the

Minister of Labour that, although it would not be part of the new working party, some sort of working party would be set up to deal with the state sector. After an angry meeting with the Minister, Mr Reddish, president of the CSSO, accused the government of not having 'two ideas to rattle together' on proposals for wage fixing after 14 August.

The report of the Commission of Inquiry into the Heavy Engineering Industry was published. It singled out the boilermakers' unions in Auckland and Wellington as the major cause of heavy engineering factory closures (A full review of the Commission's report appears elsewhere in this issue).

The Minister of Labour announced from London that the New Zealand government may borrow a Canadian idea and set up boards of trustees to take over the running of 'malcontent' unions facing deregistration.

JUNE

The Minister of Health, Mr Gill, announced that the government was considering forming teams of industrial medical officers, occupational health nurses and industrial hygienists to investigate occupational health problems referred to district health offices by the Labour Department. An increase in the number of health inspectors was also planned and the Health Department had proposed the introduction of mobile hearing conservation units for dealing with industrial noise problems.

At a race relations seminar run by the Public Service Association, Dr Sutherland of the Auckland Committee on Racism and Discrimination proposed that all government departments should have set targets of ethnic minorities on their staffs and that all local bodies should adopt 'affirmative action' employment programmes to increase job opportunities and the work status of minority groups.

Shop assistants in Wellington and Christchurch struck for two days in protest against the Shop Trading Hours Bill. Auckland shop assistants voted against immediate strike action. The Minister of Labour said that claims that weekend trading would result from the Bill were wild speculation. The Retailers' Federation requested that the Bill be deferred on the grounds that the time was inappropriate for sub-

stantial changes. The Acting Prime Minister, Mr Talboys, said that Communist Socialist Unity Party members were using the Bill as a vehicle for influencing or controlling the Shop Assistants' Union. The Government refused to accept a union request to amend the Shop Trading Hours Bill to provide only one late shopping night a week. After further stopwork meetings in protest at the Bill, butchers in Auckland went on strike for forty-eight hours but shop assistants rejected such action. J.O. ©

NEWS and VIEWS

WELLINGTON:

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INDUSTRIAL RELATIONS COUNCIL

It looks as though significant industrial relations issues this year will have to be handled outside the Industrial Relations Council. The Council last met in any form in Wellington last September when a sub-committee discussed new wage-fixing procedures to be put into practice with a return to freer wage bargaining. In April the President of the Federation of Labour, Sir Thomas Skinner, said that they had no intention of returning to the Council while the Government continued to use the Federation as a political football.

WAGE FIXING MACHINERY

The Minister of Labour's talks with the Employers Federation and the Federation of Labour on permanent machinery to come into effect on the expiry of the Wage Adjustment Regulations on 14 May failed to produce what the Minister has described as a "socially responsible" approach to wage determination. The matter was complicated by the Prime Minister's concern that any return to free wage bargaining might endanger the Government policy of further reducing the rate of inflation. Officials are now talking with the Employers Federation and the Federation of Labour in a further attempt to come up with suitable machinery. If talks progress well, it is likely that

* CAROL FULLER is on leave from the Department of Labour.

the new machinery will be outlined in the budget speech.

STATE SERVICES

The Combined State Services Organisation, which is under no illusions about the Minister's intentions to have integrated wage fixing machinery covering both the State and Private sectors, is also having to face up to his intention to amend the State Services Remuneration and Conditions of Employment Act to parallel certain industrial relations provisions which exist for the private sector. Already State unions are included under the coverage of the Commerce Amendment Act which deals with strikes over non-industrial matters and issues affecting the public interest. Increasing numbers of strikes by state servants (rare in the past, but now becoming common even in essential industries) and unsatisfactory provisions for the settlement of disputes over the application of interpretations (i.e. rights disputes) have no doubt strengthened the Minister's resolve to draft this legislation as quickly as possible. For consistency, it seems probable that the same scope for voluntary unionism as now exists in the private sector would be made, although most State unions are in fact run on voluntary lines.

I.L.O. CONFERENCE

The New Zealand delegation to the 63rd International Labour Conference in June this year was led by the Minister of Labour. The question of freedom of association and procedures for determining conditions of employment in the Public Service was one of the agenda items. Strenuous efforts by the Secretary of the Public Service Association to be included in the New Zealand contingent were to no avail although PSA membership of the Public Service International enabled him to get to the Conference. The composition of delegations is determined by an ILO formula which, in the case of the worker representatives, requires them to be chosen from that organisation which is most representative of unionised labour. In New Zealand this has always been regarded as the Federation of Labour. However, this appears to be an unfortunate interpretation as far as Public Servants are concerned since the Federation of Labour has no jurisdiction whatsoever over them. Other agenda items were the Working Environment (protection of