

# THE ACTIVIST



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## **GDP GROWTH FIGURE A SHOCKER**

The growth in GDP reported by Statistics New Zealand for the three months to June should be a call to further action by the Government, said the CTU today. At 0.2 percent it is well behind market predictions of around 0.5 percent. The Reserve Bank predicted growth as high as 0.9 percent for the quarter in its recent Monetary Policy Statement.

"The result underlines concerns that the recovery is stalling," said CTU Economist and Policy Director Bill Rosenberg. "It is not good news for employment growth and for reducing the high level of unemployment. The Government should be looking at further measures to boost activity in the economy and support for people who have lost their jobs. The Reserve Bank should continue to resist rises in interest rates."

The earthquake in Christchurch occurred after the period reported, and its immediate effect will be a further reduction in economic activity. While the reconstruction of Christchurch will provide some relief to employment, it will not necessarily provide jobs for people outside that region and outside the sectors contributing to the reconstruction.

There is also discouraging news in the imbalance in the economy shown in the results. There has been a significant increase in residential construction, which is good news for that industry, and may help to keep housing prices down, but it is accompanied by a fall of 4.0 percent in manufacturing which has had only two quarters of growth. Manufacturing is at the same level it was in March 2009, which was at the bottom of a fall in output that marked most of the decade.

"These trends do not bode well for the shape of New Zealand coming out of the recession," said Rosenberg.

Business investment in fixed assets rose during the quarter for the first time in a year. The rise is welcome although it is still 6.5 percent behind where it was a year ago after some very large falls in the last two years. However most of the increase was in intangibles, reflecting exploration activity, and transport equipment. Investment in plant, machinery, and equipment was down 1.5 percent, reflecting the situation in manufacturing. It does not improve the outlook for increases in production and productivity.

Growth in the economy has not matched population growth. GDP per capita fell in the quarter, is still well behind 2008, and is at the same level it was in real terms in June 2004.

## **RMTU S.I. OFFICE UPDATE**

After our eviction by the Lyttelton Port Company from our Union office on the port we have reached agreement with KiwiRail to lease space in the Lyttelton Railway Station. Thank you to KiwiRail for their help. We share the space with our rail operations members and so member access to the office has never been better as members no longer have the hassle of Port Security to contend with when seeking advice or assistance in person. If you're around the area call in for a chat and a cuppa (no charge).

Following the Canterbury earthquake both the Lyttelton Branch secretary Libi Carr and Organiser Brian Cronin have been heavily involved in "Unions Canterbury" activities.

There have been a number of public/community meetings with authorities such as the Earthquake Commission where union staff have been on

**This is for the information and guidance of RMTU members only!**

hand giving advice to any worker adversely affected by employment matters following the quake. These meetings have been held mostly in the evenings and it is a credit to union staff that as well as dealing with their own problems caused by the Quake that they are giving their spare time for the good of their communities.

Both Brian and Libi have also been dealing with Canterbury RMTU members with any matters they have in relation to the disaster.

## KIWI RAIL MECA UPDATE

The ratification ballot is now in full swing. All papers should have been delivered to all members falling within the coverage of the MECA as indicated within the Unions membership database. If you are paid under the MECA and work for KiwiRail Infrastructure, mechanical, Freight and NZRC and haven't received your ballot paper then sing out urgently. The ballot closes 18 October and will be counted on the 19th.

Keen observers of the material on the RMTU website are sending in advice of drafting errors in the MECA. Thanks to all those who do so as you are helping us to ensure that the signed version will be error free.

## DAY OF ACTION – 20 OCTOBER 2010

First of all, thanks everyone for a great effort in the August rallies. The rallies were a great success with around 5000 attending across four centres. Some media reports were for lower numbers, but overall the reports were good, reflected the positive character and determination showed at the rallies and certainly raised the profile of the issues.

Now of course we are looking to build upon this momentum and to focus on achieving higher participation levels for the 20 October day of Action.

The fairness at Work campaign is a comprehensive campaign with many different aspects including You Tube stories, leaflets, postcards, pickets, 'name and shame', lobbying, advertising and so

on. This includes unions making claims to vary CEAs to include Personal grievance and access rights and taking action if the employer will not agree when the negotiations come up.

We as the RMTU also need to get as many delegates and members to put in submissions on the two Bills.

Branches are asked to consider ways to maximise participation (primarily by combined Section 26 stopwork meetings) but also look at other ways we can get people to join in on the day.

A crucial discussion at NAC this Thursday is how we finalise the main aspects of the Day of Action.

Can you therefore consider this before Thursday so we can nail down as many details as realistically possible then?

If you need to discuss any of this with the CTU before Thursday please ring me, Peter or Andrea.

## VEOLIA COLLECTIVE – UPDATE

After weeks of tortuous discussions, both in face to face meetings, and in Trans Tasman phone calls, the Veolia negotiations MAY be heading to a conclusion.

It appears to us that Veolia Transport just hasn't been able to come to grips with the fact that the RMTU members employed by them will not pay for their own wage increase by agreeing to clawbacks or rolling over on practices we have long opposed and won on in the past.

The company seems totally bemused by this fact, and it is only as negotiations and emotions have sharpened up that they have detected a sense of inevitability in what the outcome would be if they persisted with their industrial relations approach.

A final round of face to face meetings are scheduled for Thursday of this week, at which time a settlement will be reached, or a breakdown will occur and plan B is dusted off.

## KIWI RAIL EAP PROGRAMME!

We have received reports that KiwiRail members availing themselves of EAP

services have been informed by their counsellor that there are only 3 sessions available. We have raised our concerns with KiwiRail GM HR Nicola Brown and she had this to say;

*"KiwiRail provide employees and their family members with **unlimited** access to EAP counselors.*

*There has been no change by KiwiRail and none that I know of by EAP Services Ltd. The current Service Level Agreement (SLA) with EAP Services has no maximum sessions.*

*I know it is an industry practice of EAP providers to authorise their counselors to provide 3 sessions before a peer review is required to determine effectiveness. However, I have never heard of or seen any extension request declined.*

*There certainly has been no change in KiwiRail policy in this area."*

The RMTU is satisfied with the above assurance. We have always been a strong supporter of the service and it was a Union claim to provide it to rail staff. With current events (Chch Earthquakes, Train collisions, slips, rising costs and long hours of work etc) it is essential that the service be maintained and utilised by workers whenever a need arises. If any worker is feeling under stress at present then please refer yourself to EAP and call the help line – **0800 EAP NOW or 0800 327 669**

## **SECRET BALLOT BILL UNNECESSARY AND UNBALANCED**

The CTU has repeated its view that the Employment Relations (Workers' Secret Ballot for Strikes) Amendment Bill is an unwarranted and unnecessary bureaucratic imposition on workers' freedoms.

The Transport and Industrial Relations Select Committee published its report on the Bill today. CTU President Helen Kelly says it is disappointing that the Bill fails to put the same onus on employers to ratify lockout actions which have been used several times recently in attempts to force workers into accepting terms and conditions they do not want.

Helen Kelly said: "While the Bill largely only formalises what already happens as normal procedure for unions, it imposes an unnecessary layer of bureaucracy which could be used to challenge the validity of legitimate votes in favour of strike action. The CTU has no problem with secret ballots for strikes and most unions do this already but we do object to employers being able to challenge the legitimacy of strikes because of ballot procedures. Union members might challenge a ballot in breach of a union rules, but employers could use this to challenge strikes on purely procedural issues."

"As with all of the Government's other attacks on employment rights this Bill addresses a non-existent problem and serves only to place a greater burden of responsibility on unions than is expected of employers, further altering the balance of power in an already unequal relationship."

## **STRIKING IRISH DOCKERS WIN SOCIAL WELFARE APPEAL PAYOUT**

Dockers who walked out on strike for eight months at a port in Ireland have been awarded a substantial payout by a tribunal. The dockers, represented by the ITF-affiliated union Services, Industrial, Professional and Technical Union (SIPTU), have been awarded more than 100,000 euros (US\$134,000) by a social welfare tribunal.

They took strike action from 2 July last year until 19 February this year at Marine Terminals in Dublin in a dispute over redundancies and wage cuts; the company responded by replacing the workers with strikebreakers.

The tribunal decision has been welcomed by the Marine Port and General Workers' section of SIPTU as a major victory for the strikers. During the dispute the workers would have been entitled to 200 euros (US\$268) a week in strike pay.

The average award for each of the 17 men involved is 6,000 euros (US\$8000). SIPTU organiser, Oliver McDonagh, said the people involved in the dispute were "young family men and women with mortgages and other regular payments to meet." "They were put

through financial hell during their eight months on the picket line.

During the strike they were informed that they were not entitled to any social welfare payments so the union decided to make an appeal to the social welfare tribunal on the grounds that the company did not properly utilise the dispute resolution machinery of the state," he continued.

## **HOBBIT SHOULD MEET MINIMUM STANDARDS**

Production and filming of the Hobbit should meet minimum standards, said CTU President Helen Kelly today.

"While there may be legal issues to work through, these are not an impediment to an agreement for standards to be reached with the union," she said.

Helen Kelly said that it is good to have international support for workers, including performers, in this industry and it is totally unjustified to describe the union assistance from Australia as 'bullying'.

"After all, in a globalised economy, we are used to multinational companies operating here, and it is quite legitimate for NZ Actors' Equity to operate as a fully autonomous section of the Media, Entertainment & Arts Alliance."

"This industry gets very significant tax breaks from the New Zealand Government and needs to address all industry issues including health and safety and the problem of non-union contracts which provide no minimum guarantees of wages or working conditions, no residual payments and no cancellation payments in the event the performer's contract is cancelled."

"Our discussions with NZ Actors' Equity indicate that they have obtained legal advice that there are a variety of lawful means which could be used to establish the minimum wages, working conditions and residuals for performers on the production. A copy of this advice has been provided to the lawyers for the producer but at this stage there is a refusal to negotiate."

Helen Kelly said that it is important for the producers to get involved in a solution to

this issue rather than simply threaten to remove the film from New Zealand because of a debate about minimum standards that should apply.

## **RAILROAD RIDERS RALLY**

Friday 26th, Saturday 27th, Sunday 28th  
November 2010 - Cass

The 2010 Rally will be held in conjunction with the World Famous Cass Bash. Accommodation for Riders will be in the University of Canterbury Hostel which provides dorm and twin rooms. Sleeping bags needed.

The Cass Bash provides quality music, food and drinks on a "one charge cover all" based on each day's attendance. Costs being prepared and all will be advised ASAP.

On Saturday (weather dependent) we will ride over mountain passes to points of great historical significance (Pubs). Upon arrival back at Cass time will be allowed to clean up bikes prior to the "Line Up" where others may view the machines and choose a "crowd favourite".

STOP PRESS: Mini golf 10.00hrs Sunday on the High Country's No1 Golf Course at CASS

More info and numbers attending:  
[murray.gaidunlop@clear.net.nz](mailto:murray.gaidunlop@clear.net.nz)

## **GST OFF FRUIT AND VEG WOULD HELP LOW INCOME FAMILIES**

Labour's announced policy to take GST off fresh fruit and vegetables would provide welcome relief to many families from a tax that hits people harder the lower their incomes, said the CTU today.

CTU Economist and Policy Director Bill Rosenberg said: "The real problem still lies with low wages in New Zealand and income that is unfairly distributed. GST should be phased out over time in favour of alternatives such as a capital gains tax (exempting the primary home) and a fairer income tax system that would help encourage productive investment and not hit low income earners as hard."

## **TOLL NETWORKS (TRANZ LINK) CA – UPDATE.**

Now that the new Collective Agreement 2010-2011 has been ratified by members, this updated CA was signed by the RMTU this week and has been forwarded to Toll to sign. The new rates will be backdated to July 1st and paid for the fortnight ending October 2nd, payday October 7th.

## **TAX CHANGES - NOT FAIR, WON'T HELP THE ECONOMY**

Not only are the tax changes that take effect on 1 October unfair and will hit low income people hard, but they will be ineffective in dragging New Zealand out of recession and into long run improvements in the economy, says CTU Economist and Policy Director Bill Rosenberg.

"They are unfair. They worsen New Zealand's already damaging income inequalities. The gap in take-home pay between someone on \$30,000 a year and someone on \$150,000 a year will grow by \$102 a week as a result of the income tax cuts - a tax cut of \$16.15 per week compared to one of \$117.88."

"Income disparity has widened over the last 25 years and tax cuts like these only widen the gap further. It is all very well to say that the top 50 percent of income earners pay 89 percent of the income tax take, but they get 84 percent of taxable income."

"Tax Working Group research showed that the lower a household's income, the harder GST hits it. After GST we estimate that someone on \$30,000 a year will have only \$4 a week more spending money after the tax cuts. Even someone near the average wage on \$50,000 a year will be getting only about \$14 more a week after GST. Three quarters of taxpayers get less than that income. Someone on \$150,000 will be \$90 a week better off."

"On top of that, people need to meet other higher costs such as for energy, early childhood education, and ACC levies as a result of government actions."

"The changes to property taxes are welcome, but far from enough to bring about real changes in investment

behaviour. Property investors may pay some more tax, but not all high income people are property investors, and property investors can avoid the higher taxes. Overseas investors will benefit from unnecessary cuts to company taxes."

"The tax changes will not make a noticeable difference to savings and growth. Treasury's recent working paper on savings (Saving in New Zealand - Issues and Options) showed private savings fell during the 1990s despite rounds of income tax cuts and GST increases, and concludes 'tax changes are unlikely to on their own deliver a significant increase in the level of national saving'. Even the Government's own Budget estimate was that the tax package would increase GDP by only 0.4 percent in four years and 0.9 percent in six years (by June 2017) - an increase in annual growth of about 0.1 percentage points - a number that will get lost in the margins of error. And GDP growth flat-lined after the massive tax cuts in 1986."

"The tax cuts will make it harder to pay off government debt. Rather than a temporary, targeted stimulus to help New Zealand out of the recession, they put money in the hands of people less likely to spend it in New Zealand and the cuts become part of the Government's structural deficit. They will mean there will be harsh cuts in government spending that would otherwise not be needed."

"The stimulus could have been targeted at low income people, and broader spending programmes could have helped build educational and health facilities."

"The Government could have raised revenue through a capital gains tax exempting the primary home - which most other developed countries have had for years - or an international financial transaction tax which would reduce the New Zealand dollar's vulnerability to speculative attacks. Both would have been fairer to low and middle income earners and would have helped the economy change to a more sustainable path."

## **NORFOLK COLLECTIVE AGREEMENT**

Our newest group of RMTU members is employees of Norfolk.

These members are working on overhead projects in the Wellington Electrified Area. A Norfolk Collective Agreement covering these members has been negotiated and agreed. The new CA came into effect this week, Tuesday 28th September.

Welcome aboard Norfolk.

## **ARAB WORLD UNIONISTS COORDINATE TO TACKLE JOB SECURITY AT GLOBAL TERMINAL OPERATOR**

Transport unionists based in the Arab World this week grappled with ways of dealing with precarious employment and possible downsizing in global terminal operator APM Terminals.

The unionists, who were representing workers in four of APM Terminal's five operations in the Arab World met in Casablanca, Morocco, from 20 and 22 September. There they noted that, while APM Terminals had increased its net profit in 2009 compared with the previous year, was likely to surpass these profits this year and had invested extra resources in the ports of Said and Salalah, there were nevertheless some key concerns. Workers faced long working hours and a lack of job security, which may be exacerbated by the possible downsizing of the workforce through restructuring; work was already being outsourced to subcontractors and precarious employment practices introduced.

At APM's Port Said operations, for example, it was reported that workers were being employed on rolling short-term contracts and had to fill in a form - effectively a resignation letter - when they took up employment. Unionists were also worried about the lack of collective bargaining agreements at the company's operations in Bahrain. The matter, they said, had been "dragging on" for several years.

Union leaders committed to work more closely together on a regional approach to tackle these issues and to improve coordination to ensure that the unions "speak with a collective voice" in the region.

Said Elhayrash, chair of the ITF Arab world committee, said: "This meeting was a practical one, with a clear action plan. With the hard work of the ITF Dockers' section and the Amman office we do have an active APMT network. As a result of this work, I am sure that the workers' standards in the regional APMT will be improved.

He added: "Solidarity among all participants is real now; they all care about each other. This is real ITF work, where we can see real achievements on the ground."

## **PORT CHALMERS CA**

After working together for 4 months the RMTU and MUNZ negotiation teams have finally got a proposed settlement to take back to the members. The negotiators believe that the settlement is the best deal that can be obtained under the current economic and fiscal circumstance of Port Chalmers. We are confident that with the endorsement of the negotiating teams that the ratification will be successful. It is worth noting that this settlement sees Port Chalmers paying back pay for the first time.

We showed the true spirit of the charter alliance by sticking together on issues and applied the pressure needed to get the results. Proudly we can say the company dropped all their claims and we retained all our current terms and conditions with a few added extras picked up along the way.

A great job done by a rather tired, tight knit team!!

## **JOB CUTS AT AUCKLAND COUNCIL AND SUBSIDIARIES ARE TOO DRASTIC**

The Public Service Association (PSA) says the scale of job losses at Auckland council was unnecessary and could have been avoided if better use of attrition had been adopted.



"At the beginning of this process we pushed the government to use natural attrition as an alternative to redundancy. We warned that drastic job cuts could leave the council without the capacity it needs. Instead we achieved partial attrition and the consequences are hundreds of forced redundancies," says PSA National Secretary Richard Wagstaff.

"The question now is, have they gone too far and will the new council organisations be forced to rehire new staff to fill the gaps?"

"The Minister for Local Government is talking up the millions of dollars these cuts will shave off the new council's wage bill but the reality is you can't cut hundreds of jobs without losing valuable knowledge and experience," says PSA National Secretary Richard.

"It's always a dark day when job cuts are announced, especially on this scale. It's a huge loss of skill, experience and institutional knowledge."

"The PSA has run an intensive campaign to retain as many jobs as possible. We began this process at a time when John Banks was predicting 40 percent of jobs would be cut. The actual job losses are now estimated to be 13 percent. If that agenda had played out it would have been devastating for council services."

"That 13 percent is still a huge loss of skills and experience. We'll be monitoring the new council closely and listening to what our members have to say on staffing levels and service delivery, and be challenging any further cuts."

"It has been a very stressful time for all members involved in this change process. Even those who've kept their jobs are feeling the impact and are worried more losses are to come," says Richard Wagstaff.

## DELEGATE TRAINING

For those of you elected to Delegate and Executive roles well done! We are organising training around the country however we are building into the busy period so Branches please help your

Organiser to find suitable dates to run training. We need 6 to 8 weeks in advance to ensure all paper work is completed.

## CHANGES IN OVERSEAS INVESTMENT RULES WELCOME, BUT NEED TO GO FURTHER

The CTU welcomes the decision by the Government not to weaken the already feeble overseas investment rules after a review that took over a year behind closed doors.

Instead it has added an "economic interests" factor and the possibility of requiring New Zealand oversight or involvement in an investment. The Finance Minister will also provide "more clarity about the Government's policy on overseas investment in sensitive assets" in a new ministerial directive letter to the Overseas Investment Office.

"We also welcome the fact that they have seen sense in leaving the strategic asset test in place," said CTU Economist and Policy Director Bill Rosenberg.

The proof of the new rules will be in their wording and ultimately in the way the Ministers of Finance and Land Information exercise their powers in making decisions on overseas investment applications.

Bill Rosenberg said: "The rules still leave huge holes in the oversight of some of the most important overseas investment into New Zealand where land acquisition is not a factor, such as leveraged buyouts by private equity investors which leave New Zealand companies in a weakened and highly indebted state."

"The Government admits that New Zealand has made 'commitments in a number of its trade agreements, which mean that we cannot introduce new categories of investment under our overseas investment legislation', as the Minister of Finance's media statement said. This leaves New Zealand in a vulnerable position where it cannot exercise control over damaging overseas investment. It should be trying to unwind those commitments."



## TRAIN MANAGERS WORKING PARTY

The Wellington Metro Train Managers working Party will be meeting on Thursday 30 September, in the hope of reaching agreement on a progression scale. In discussion will be the value of experience gained from long service and the unseen benefits of institutional knowledge.

## NO BREAKS FOR WORKERS FROM THIS GOVERNMENT

Despite compelling submissions that the current right of workers to a rest and meal break should continue to form part of our basic labour rights, the Government is ploughing ahead with the Bill that will remove the right of workers to a tea and lunch break, said the CTU today. It even goes as far as enabling employers to require workers to work during any unpaid lunch break that they do agree to.

The Transport and Industrial Relations Select Committee published its report on the Rest and Meal Breaks Amendment Bill today and made no changes to their plans to roll back the rights which had only just come in to force last year.

"It is unimaginable what would lead the Government to make this change, except a real disrespect for working people and their basic needs at work," said CTU President Helen Kelly.

"The provisions in the new Bill remove the right to a break and instead allow employers to refuse them. While they make some provision for 'compensatory measures', no substantive criteria remain in the Bill to describe what the compensation should be based on. The Bill also enables employers to require workers to stay in the workplace and even attend to work during an unpaid break. This disregards the need workers have to tend to personal matters in breaks and the fact that this provision will be exploited to save wages rather than give breaks."

The CTU will continue to campaign against the removal of such a basic human need and against the package of other changes

going through Parliament removing work rights.

## INCREASING OVERSEAS INVESTOR INCOME DRIVING CURRENT ACCOUNT AGAIN

While New Zealand's goods trade is running a welcome surplus due mainly to high dairy and log prices, rising company profits and interest payments are once again weighing down the current account – the record of payments for goods, services, and income to and from New Zealand. The seasonally adjusted current account deficit rose \$560 million to \$1,814 million in the three months to June 2010 compared to March 2010.

"It is paradoxical that signs of improvement in the economy shown by rising overseas company profits mean that New Zealand's indebtedness overseas increases," said CTU Policy Director and Economist, Bill Rosenberg, commenting on today's Statistics New Zealand release of the June 2010 Balance of Payments and International Investment Position. "We continue to become more dependent on overseas debt and investment while our export performance relies on a rise in commodity prices which is unlikely to last."

The \$2,795 million income deficit for the June 2010 quarter increased \$449 million over the March 2010 quarter, mainly due to a \$429 million increase in the investment income deficit. Most of the increase was due to a \$480 million increase in foreign investors' income from their investments in New Zealand. The income balance now includes some income paid to overseas employees which Statistics New Zealand is sourcing from IRD.

New Zealand's net liabilities at 30 June 2010 increased by \$2,713 million, or 1.7 percent, from 31 March 2010, rising to \$163,694 million or 86.5 percent of GDP. About half of this increase was due to exchange rate and valuation changes, and half to financing the current account deficit.

The Reserve Bank appears to be having some success in weaning the banks off their risky short term overseas borrowing to finance mortgages in New Zealand. Overseas debt due in one year or less was 40.2



percent of the total at June 2010 compared to 39.5 percent at March, and 43.6 percent at June 2009. However, bank debt is an increasing proportion of New Zealand's net overseas liabilities, making up 74 percent of net liabilities compared to 72.1 percent a year ago.

## CTU RELEASES EMPLOYMENT LAW SUBMISSIONS

The Government needs to reconsider unnecessary and unfair changes to the rights of New Zealand workers, said the CTU today.

The CTU will deliver its oral presentation on amendments to both employment relations and holidays law to the Transport and Industrial Relations Select Committee at 3.30pm this afternoon. CTU President Helen Kelly said: "These Bills constitute a very serious attack on workers' rights. We know from experience with the Employment Contracts Act that when workers' rights are weakened, the economy falls into low-wage, low-value production and low trust employment relationships."

"That is the future that awaits New Zealand if this Bill is passed into law. These laws shift the balance a long way in favour of employers."

Helen Kelly will also table at the Select Committee the results of the UMR poll which found that 80% of New Zealanders supported the right to appeal against unfair dismissal even in the first 90 days of employment (full survey report can be downloaded from

[http://union.org.nz/sites/union/files/Final\\_CTU\\_90DayTrial\\_Sept10.pdf](http://union.org.nz/sites/union/files/Final_CTU_90DayTrial_Sept10.pdf)

"If workers get through the first 90 days of employment, the Government also wants to weaken the process that must be used at any time in a dismissal, reduce the ability of the Court to examine the reason for dismissal and remove reinstatement as a primary remedy. Workers will find it harder to enlist the support of unions to fight their corner thanks to the restrictions on workplace access. Add to that the offensive and disrespectful change to the Holidays Act - allowing employers to demand a medical certificate for one day's absence and you have a package of changes that

diminish workers' standing in their workplaces in a way not seen for 20 years."

"At a time when New Zealand's need for cooperative, productive workplaces with investment in skills and smarter business development is absolutely critical, this Bill steps back to the repressive regime of the 1990s when productivity slowed and there were huge losses in pay and conditions of work."

## PSA QUESTIONS SIX YEAR SENTENCE FOR PRISON OFFICER KILLER

The Public Service Association (PSA) questions whether the six year sentence for an inmate who killed a prison officer at Springhill Prison sends a strong enough message.

Latu Kepu was sentenced to six years and four months in jail for killing Jason Palmer in May.

The 33-year-old prison guard fell to the ground after being punched in the head and died in hospital the next day.

"Our members are telling us they are deeply upset by this relatively short sentence, especially given that Jason Palmer lost his life while doing his job," says PSA National Secretary Brenda Pilott.

"This is a timely reminder that many public service jobs like those of prison officers are dangerous.

"Prison officers are dealing with violent criminals on a daily basis. Regularly, they are confiscating hidden weapons that can potentially be used against them," says Brenda Pilott

"This sentence does not reassure officers that criminals who use violence against them will be sentenced justly.

"They need reassurance that both their jobs and lives are properly valued.

"More and more people are being sent to prison by the courts and the capacity of prisons is being squeezed.

Our members and other prison officers should not suffer or be put in danger simply because they are carrying out the decisions of parliament and the courts," says Brenda Pilott.

## **PUBLIC OPPOSITION TO LAND SALES FORCES GOVERNMENT BACKDOWN ON OVERSEAS INVESTMENT ACT LIBERALISATION**

When Bill English announced yet another review of the Overseas Investment Act, in early 2009, he said that its recommendations would be made public by the middle of last year. It has taken until the end of September 2010 for that to actually happen, a full 15 months late. When he announced that review National was all set for another gung ho liberalisation of the Act to make New Zealand even more "attractive to foreign investors". After all that is what Labour did when it was in office and the result was the present 2005 Overseas Investment Act, which represented a considerable liberalisation from its predecessor. NZ now has the dubious distinction of having one of the most laissez faire foreign investment regimes in the world.

But this latest review has, contrary to a regular drip feed of information from "inside sources", recommended precisely no change to the Act. It has introduced two new measures to the Act's accompanying Overseas Investment Regulations and they both apply exclusively to investments in sensitive land: a new "economic interests" factor allowing Ministers to consider whether NZ's economic interests are adequately safeguarded and promoted; and a new "mitigating" factor enabling Ministers to consider whether an overseas investment provides opportunities for NZ oversight or involvement e.g. by appointing NZ directors or establishing a head office in NZ.

Some media commentators have labelled these as giving Ministers "veto powers" over foreign investment in large tracts of farmland (actually, for as long as there has been an Overseas Investment Act - since 1973 - Ministers have always had veto

powers over all aspects of foreign investment. What's been lacking is any political will or courage to actually use them. But let's not spoil a good story).

What has changed since Bill English announced this review 18 months ago? Obviously, the very large and growing larger public opposition to relentless foreign takeovers of prime agricultural land, and specifically the Chinese bid for the North Island dairy farms empire of the hapless Allan Crafar. There has always been public opposition to foreign takeover of NZ rural land but what is different now is a qualitative change from rich foreign individuals wanting to buy picturesque hobby farms for themselves (think Shania Twain) to agribusiness transnationals wanting to buy great chunks of the dairy industry, which is the current engine of the NZ economy.

This has led to major unease among people who have been among National's traditional backers and voters (which has taken organised form with the recent launch of the Save The Farms group) and there has been evidence of a major difference of opinion at the highest levels of the Government itself, with Maurice Williamson on the one side labelling opponents of foreign investment as "racists" and John Key on the other, saying, more than once, that he doesn't want to see New Zealanders end up as tenants in our own country.

It would seem that the Key faction has prevailed - not only is the Overseas Investment Act not being liberalised, it is not being changed at all, and a couple of essentially cosmetic measures have been tacked onto the Regulations to try and satisfy public opposition to farm sales to foreigners.

The Campaign Against Foreign Control of Aotearoa (CAFCA) has always said that whilst land sales to foreigners are important in themselves, they are only part of a much bigger picture, namely the wholesale economic recolonisation of all sectors of the NZ economy by transnational corporations. The Government is trying to quarantine the contentious issues of land sales, whilst saying and doing nothing about the big picture.

We congratulate the Government for not liberalising the Act any more than it already



is but we call upon Key to take the bull by the horns and actually substantially tighten it up. There is plenty of scope to do so. Start by exercising the veto powers that Ministers already have (and always have had). Recognise that New Zealanders do not want to become inhabitants of a branch office of a bunch of transnationals, and exercise some political will in the national interest. It will be a novel feeling but you'll get used to it. And if you do so your employers, the people of New Zealand, will thank you for actually doing your job.

### **PIRACY PETITION PRESENTED TO INTERNATIONAL MARITIME ORGANISATION**

A coalition of key stakeholders in the shipping industry today handed over a 920,000-strong vote for action to end piracy off the coast of Somalia. Representatives from seafarers' unions, ship operators, welfare organisations and others presented the "End Piracy Now" petition to secretary general of the International Maritime Organization Efthimios Mitropoulos in London, UK. The event, which took place on the UN-designated World Maritime Day, coincided with the presentation of the petition to governments worldwide.

The petition ([www.endpiracypetition.org](http://www.endpiracypetition.org)) was launched just four months ago as the centre piece of a campaign to persuade all governments to commit the resources needed to end the increasing problem of Somalia-based piracy. Originally intended to achieve half a million signatures, it has far exceeded that figure.

Some 354 seafarers and 16 ships are currently being held hostage in Somalia; meanwhile, pirates are being released unprosecuted, free to re-offend.

David Cockroft, ITF general secretary, commented: "At a time when some countries are actively escorting merchant ships and pursuing pirates and a few – too few – are prosecuting them when caught, the majority, including many of those who make the most from shipping, are doing little or nothing. For us, this campaign is

about making everyone step up and shoulder their responsibilities."

To view the ITF's video on the piracy petition go

to: [http://www.youtube.com/watch?v=qJHSLFnt\\_HM](http://www.youtube.com/watch?v=qJHSLFnt_HM)

### **BITS AND BOBS**

- MECA Report back meetings in the northern region were well attended over the week of 13-17th September, with the proposed settlement being generally well received. An excellent turn out of members at Takapuna was encouraging. A number of other issues were raised after the report back concluded, including the proposed relocation of the Takapuna office to Parnell. There was a disappointing turn out from locomotive engineers in Hamilton. Despite being individually notified of the meetings in writing, only two Hamilton based LE's turned up. This was surprising bearing in mind at a previous meeting a senior LE (and branch official) was complaining about his inability to put food on the table!
- Following negotiations the Hillside closedown this year is 22 December 2010 to 17 January 2011. It will also close for maintenance on 27 and 28 April 2011.

## **"WE'RE STRONGER TOGETHER"!**

