

# THE ACTIVIST



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## CONFERENCE 2011

The seventeenth Annual Conference of the RMTU gets underway this Tuesday at the usual location of the NZ Police College. The 3 action packed days will see a record number of rank and file participants deal with the meaty issues of the Union. Speakers at Conference include;

Phil Goff Labour Party Leader

Owen Doogan Nat President RTBU of Australia

Peter Conway CTU Secretary

Jim Quinn CEO KiwiRail

Roy Weaver CEO Port Taranaki

Sara Lunam Corp Services Manager Port Tauranga

Bill Rosenberg CTU Economist

Hazel Armstrong Lawyer and RMTU H&S Advisor

Grant Craig President FRONZ

Shane Jones Labour MP - Transport

Gareth Hughes MP Greens - Transport

Chris Ball NZR Welfare Trust

Roy Cowley LE Fund and Harbours Fund

John Freeman Rail Section Manager NZTA

A host of Union speakers from NZNO, SFWU, EPMU, FIRST and MUNZ.

Don't you wish you were coming!

## MECHANICAL INDUSTRIAL COUNCIL ELECTION – KIWIRAIL – 2011-13

The result of the re-run ballot for the second North Island position is;

Papers Issued: 181

Papers Returned: 58

Return Rate: 32.04%

Rudi Brens – 28

Shane McNae – 30

Shane McNae is declared the winner.

Thank you to Rudi Brens for putting his hat in the ring and for his years of involvement in the Industrial Council to date.

The next meeting of the Council and the first meeting for the new team is early December 2011.

## FIJI UNION REPRESSION ESCALATES - FURTHER ARREST

Most of you will have already heard that Felix Anthony, National Secretary of the Fiji Trade Union Congress, was arrested at his office on Friday afternoon and remains in detention. His office and home were searched.

This follows the detention of FTUC President Daniel Urai on Saturday 29th October at Nadi airport on return from the Commonwealth heads of Government meeting in Perth, Australia where he was part of the Commonwealth Trade Union Group.

Daniel has now been charged with sedition.

Clearly this is a further escalation of the attacks on worker rights including union leaders that are speaking out against these breaches of fundamental human and trade union rights.

## PRIMEPORT REBUILD

Our Union is currently rebuilding at Prime Port. Since Peter Clemens left it's fair to say we've had a big space to fill. Peter did a huge amount of work for our members and his absence has been very keenly felt.

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

Josh Meyer and Tony Mann have worked hard this year to start the process of getting the RMTU back in good shape. They have been invaluable help to our new Organiser based in Lyttelton, John Kerr, since he came on board in March.

We developed an organising plan and have made good progress to date.

We've had a delegate training day in July and have elected a new executive at the AGM. Mike Nijssen has stepped up into the branch Secretary's role and together with Naylor Young will be attending National Conference for the first time.

The Branch agreed to invest in RMTU branded gear and this has been ordered. The notice boards are being kept up to date and The Activist is being distributed. We're aiming to run another delegate training day before the end of the year and to hold Branch meetings monthly. Our Organiser is aiming to work in his systematic visits to coincide with these.

Our experience this year has taught us the importance of succession planning and the need to support key individuals when they move on. It's been really good that people have rallied round and we'll only get stronger from here on.

## **CMP OFFER CUTS WAGES TO THE BONE**

Over 100 workers are still locked out from work at the CMP meat works in Rangitiki, with the company refusing to budge from its unreasonable demand which cuts wages by 20 - 30%.

Helen Kelly, CTU President said "these workers cannot afford to take a 20 - 30% cut. The common earnings across all grades for these workers in the year to March 2011 - range from around \$39,250 to \$46,250, the top earner last year earned \$53,851 including additional shifts and top kill rates. Taking 20-30% off could be as much as \$15,000 a year lost from a family's income and would leave these workers impoverished on wages as low as \$15-\$17 per hour. This is tough work and these are not defensible wages."

"In comparison, the workers have been incredibly generous in their offer - they are

prepared to take a 10% pay cut. There are huge implications for the workers in considering any cut to their wages, but they are trying to move company to be reasonable, and make a reasonable offer."

"The workers are under pressure, financially and emotionally, but the picket is well supported, with donations and support really boosting morale and resolve. We have a Facebook group 'locked out workers support group' which is filled with messages of support, photos of the picket, updates from the union and links to media coverage. Resources are crucial to support these workers - we have set up a bank account and are calling for donations, the bank account number is also on this page. If this escalates further we'll be calling on consumers to consider their support for this company," said Helen Kelly.

## **PORT CHALMERS CUTS**

Port Otago is going through a round of redundancies despite posting a record \$12.5m dividend to the owner, Otago Regional Council.

In narrow commercial terms the shedding of 14 staff, mainly Cargo Handlers, makes sense as the Port has lost the Maersk Trans-shipment Contract. The timing was abysmal however, and the attitude of the CEO Geoff Plunkett, who dismissed the RMTU's public comments condemning the job cuts, was appalling.

In a wider economic and social context the decision to slash jobs is ludicrous - Dunedin has been battered by redundancies this year and Port Otago, like Hillside Railway Workshops, another victim of job cuts, is publically owned. Once again, managers are forced into short term, knee jerk reactions to inevitable commercial up and downs by local and national politicians who can't see past the discredited economic orthodoxy that has mired the global economy in the 'Long Recession' since 2008.

Of course, this trend will only get worse if a re-elected National government starts selling state assets. It is only to be expected that regional and city councils will follow suit and try and hock off publically owned ports and other assets. What little benefit we enjoy from having key strategic enterprises in



public ownership will be lost and the profits will go overseas.

Our Branch has successfully made the case for retaining the jobs at Port Otago – management isn't listening but, if the public response is anything to go by, we have the backing of the community.

### **KIWI RAIL SEPARATION CONCERNING – FORESHADOWING PRIVATISATION?**

Rail workers would be concerned if KiwiRail's move to separate its business in two is a foreshadow of future privatisation, their union said today.

KiwiRail announced on Friday that it is seeking government endorsement to separate into two businesses, one owning the rail corridor land and the other owning the rolling stock, properties and other assets.

RMTU General Secretary Wayne Butson said that this structure sets up the company for privatisation.

"KiwiRail CEO Jim Quinn has said it is essentially a paper transaction and won't change how they operate. If that is the case, then we question the point of the move," Wayne Butson said.

NZRC was formed in the late 1980's and has always owned the below rail assets. The rail operating entity has since the early 90's owned all of the above ground assets. The renationalisation and formation of KiwiRail brought the businesses back together, Wayne Butson said.

"For such a radical write-down of assets and to re-establish the clear separation makes us fearful there has been a hidden agenda at work for the last 12 months to add KiwiRail to the privatisation stakes."

Wayne Butson said that a myth perpetuated by the proponents of privatisation was that the privatisations were not wrong, but rather that the structure of them was flawed.

"It cost Kiwis \$1.2 Billion to set up rail for privatisation in the 90's and now it looks

like it is costing us another \$6 Billion in write downs."

"Rail privatisation between 1993 and 2008 was a mistake that ended costing citizens and taxpayers unnecessarily. It is clear to workers in rail that a re-election of a National government is for Kiwi's to repeat the privatisation mistakes of the past," Wayne Butson said.

### **GREENS WOULD FUND 60 PERCENT OF CBD RAIL**

Central Government can afford to fund at least sixty percent of Auckland CBD rail link, to boost the economy and give Aucklanders better options to get around their city, said the Green Party today.

"The Auckland Council's draft long term plan shows they are desperate to fund crucial bus and rail projects – the Government can support them if it adopts a more balanced transport programme," said Gareth Hughes, Green Party transport spokesperson.

Mr Hughes was responding to the draft Auckland Long Term Plan released today that suggested the Government pay for half the cost of the rail link.

"By voting for Len Brown and supporting his vision, Aucklanders have shown they want more investment in high quality buses and rail into the city – not a new motorway to get them out.

"Auckland is speaking with one voice – the Government needs to start listening with both ears," said Mr Hughes.

"The Government is pursuing a totally unbalanced transport funding policy – spending more than \$14 billion on new motorways over the next 10 years while refusing to commit any funding to the CBD rail link," said Mr Hughes.

"By cutting spending on uneconomic motorways, such as the Puhoi to Wellsford Holiday Highway and the Wellington Northern Corridor, we can free up enough funds to pay for urgently needed rail projects, such as the CBD rail link," said Mr Hughes.

"The events of the Rugby World Cup opening showed clearly the need to increase our rail system's capacity – right now if a train



stops in Britomart tunnel it literally jams the whole rail system for hours.

"The CBD rail link would allow us to run twice as many services and significantly cut journey times from West Auckland, moving as many people per hour as 10 motorways lanes.

"The CBD rail link would also make Auckland rail services more reliable — last month only 83 percent of Auckland trains arrive on time. That means over 15 percent of services were late — this is not good enough."

Mr Hughes said the Green Party also supported giving the Auckland Council alternative funding mechanisms, so they would not have to rely solely on rates to pay for their share of the project.

"The Green Party backs Auckland's vision for a vibrant city with smart transport. We'll make it happen."

## **ACTION NEEDED ON FISHING CHARTER VESSELS**

The CTU says action is needed to address the huge problems from the use of foreign charter vessels for deepwater fishing of New Zealand quota.

The CTU will make its submission today to the Ministerial Inquiry into Foreign Charter Vessels.

Peter Conway, CTU Secretary, said that "there are highly disturbing reports about the conditions of work for crew on these vessels, and instead of the value of the quota resulting in decent jobs for New Zealanders, we have a system that relies on cheap foreign labour and off-shore processing."

Peter Conway said "the Rena oil spill does not involve a fishing vessel but many of the issues are the same – flag of convenience vessels, cheap foreign labour, and poor standards of regulation."

The CTU submission has made strong recommendations to the Inquiry including: establishing a chain of responsibility which links the holders of fishing quota to the working conditions on charter vessels; observers on such vessels at all times; higher pay rates for crew; investment in

training and industry development so that there are more jobs for Kiwis in the industry, and; phasing out foreign charter vessels.

### **Summary of NZCTU Recommendations to Ministerial Inquiry into Foreign Charter Vessels**

1. Commit to a phase out of Foreign Charter Vessels (FCV's).
2. Require all vessels catching fish in our economic zone to be NZ flagged ships.
3. Require observers on all FCVs at all times when in operation.
4. Revise the Code of Practice on Foreign Fishing Crew including adding further parties, increasing the \$2.00 an hour margin, providing more support for claimants, lodging of employment agreements with Labour Department and making the code enforceable.
5. The right to employ foreign crew should only be possible by application to a nominated government department which requires that predetermined criteria are met before a ship can be chartered.
6. Monitor conduct in home countries by manning agents and refuse to grant future visas through those manning agents where breaches of human rights have occurred.
7. Require a proportion of FCV crew to be NZ citizens.
8. Establish a 'chain of responsibility' which explicitly links holders of ITQ to employment standards and practices on FCVs.
9. The Government should rigorously abide by existing international obligations particularly in relation to Forced Labour and Human Trafficking and should ratify the Work in Fishing ILO Convention No.188.
10. That the Government actively seek technical advice and training support from the ILO and IMO, to enhance NZ's Labour Inspection capacity and policies for inspection of fishing vessels, and to ensure NZ laws and practices are consistent with ILO conventions 29, 81, 97, 105, and 188.

11. Legislation should require that any fish caught in the New Zealand Exclusive Economic Zone (EEZ) must be subject to value-added processing in New Zealand other than legitimate full processing ships based on no more than the number operating in 2007.
12. Specify which species should be subject to value-added processing in New Zealand, and develop research and development proposals to lift the value of species currently attracting low returns.
13. Investigate whether consents by the chief executive of Ministry of Fisheries to the licensing of FCVs, should be made on the condition that the vessels are fully demise chartered to the NZ operator.
14. Establish a fishing industry development project (which encompasses all parties including unions) that promotes employment opportunities (specifically including land-based options), value-added practices, expanded training provision, and investment options. There also needs to be access to sector-development funding.
15. Develop a training structure for young workers to see the fishing industry as a career move for the future and look at the skills needed and how the provision of training can be better delivered to develop these skills.
16. Review the government negotiating position on rules of origin in future trade agreements with a view to encouraging the processing of fish in New Zealand.

## NEW COURSE FOR VTAK

Veolia Auckland advise that they are launching a new supervisory course in Nov 2011. The in-house National Certificate in First Line Management Level 4 course will be piloted with eight attendees and then following feedback will be rolled out to all Veolia's supervisors.

Prior to this the supervisors did a National Certificate in Line Management Level 3 with the EMA. Feedback from the attendees

showed that the course was not geared toward a 24/7, rostered environment such as ours. This new course is a level 4 rather than a level 3 and has been designed by Skills4Work to suit the environment that our supervisors are required to work in. The contents of the course have been specifically designed to address the areas where Veolia supervisors need development and support.

The course consists of 4 two day modules with assignments in between. The attendees will be closely monitored as they attend the course and will be encouraged to use their new skills as soon as they can within the work environment.

Veolia is very excited about this new course as it is providing them with the opportunity to support their supervisors with the training and coaching that will enable them to improve their skills and knowledge. Each supervisor will receive the eight days of training plus coaching in between which represents an investment of \$2500 per person plus the time taken to do the course.

## LABOUR COSTINGS CONSERVATIVE

"The details Labour has released on its spending and revenue plans appear careful and conservative", says CTU Economist, Bill Rosenberg. "If anything their expenditure plans underestimate the spending that will be required by any incoming government to reduce unemployment and address growing needs in education, public health and other areas. It does not mark Labour as a high spending government."

"It is taking a different path to paying off debt, but their path is at least as credible than that of National. It is absurd to suggest there is only one way to get to that point."

"We should also be very cautious regarding focussing all attention on debt. The threat of international recession should not be added to by a single minded focus on expenditure cuts. The experience in Europe is that cuts are leading to a worsening economic situation, and that should not have been a surprise. National's contractionary budgets forecast for the next few years threaten the same in New Zealand, particularly if the reconstruction in Canterbury is further

delayed, and certainly will not help to address its failure to reduce unemployment."

Bill Rosenberg said "on the matter of debt, Labour's plan doesn't quantify one of its biggest advantages. The Crown's net assets will be in a better position than under National. National may be reducing debt slightly more quickly over two years of the forecast period, but it will not be improving the Crown's net asset position at the same rate because it is losing the SOE assets it is selling. National cannot pretend it will exchange them for other assets – the capital plans it says it will fund with the proceeds would be going ahead anyway. It is just funding them from reduced assets rather than increased debt."

"This debate is portrayed as a competition around economic management. The fact is that all governments must deal with external economic conditions as they arise. Labour can say that its last nine years in power were not all good times, but it lowered debt and the unemployment rate throughout its term, leaving National to inherit a net government debt of just 6 percent, low unemployment and benefit numbers at the level National now says it wants to aim for in four years' time. National has held office while New Zealand has gone through very difficult times, including natural disasters and global recession, though it was not hit as hard economically as many other OECD countries. There were better ways to bring New Zealand through those times which would have resulted in lower unemployment and less hardship for people on low incomes."

## UNEMPLOYMENT FOR MĀORI AND PASEFIKA GROWING AT UNACCEPTABLE LEVELS

CTUs Komiti Pasefika is concerned that unemployment figures continue to rise for both Māori and Pacific peoples. For Māori unemployment has gone up from 13.7 percent to 15.1 percent and for Pacific peoples from 13.1 percent to 13.8 percent.

Natalie Faitala, Komiti Pasefika spokesperson said "with youthful and growing populations unemployment is an

issue that affects these communities more than others with larger numbers in youth and young adult age ranges. In Māori and Pasifika communities which are already disadvantaged and where people are most vulnerable - these figures do not bode well for the future."

"Unless quality employment is created for this group of people they will continue to be over-represented at the bottom in all socio-economic indicators, and living standards will continue to decline."

"Māori and Pacific peoples should look carefully at what political parties plan to do to reduce unemployment and vote for the policy that will best benefit them. Quality employment opportunities must be created for Māori and Pasifika. The current Government's strategy is clearly not working for this group of people."

## LABOUR WILL ENHANCE AND PROTECT ACC

Labour today reinforced its commitment to enhancing and protecting New Zealand's world leading ACC scheme which--- Kiwi owned and operated for three decades--- is envied internationally with low levies and Kiwis' best interests at heart, says Labour's ACC spokesperson Chris Hipkins.

Chris Hipkins launched Labour's ACC policy this morning while speaking to a pre-election meeting organised by the ACC Futures Coalition.

"ACC is the only system in the world which provides 24-hour no-fault coverage for all physical injuries. It's a public entity and the property of New Zealanders, not simply another insurance scheme to make profits for foreign corporates," Chris Hipkins said.

"National has been steadily undermining public confidence in ACC with the ulterior motive of flogging it off to multinationals, as it intends to do with our other profitable state-owned entities like our power companies and Air New Zealand.

"Labour is staunchly opposed to the privatisation of ACC and is committed to enhancing the scheme. Labour believes accident insurance is a social responsibility that should be guaranteed and provided by government," Chris Hipkins said.

"There is no evidence to suggest the privatisation of ACC would benefit New Zealanders. To the contrary the only ones who stand to benefit from opening the scheme up to competition are the big Australian insurance companies who would profit at our expense.

"It's about taking a principled approach," Chris Hipkins said. "Community responsibility, comprehensive entitlement, complete rehabilitation, real compensation and administrative efficiency are non-negotiable for Labour. "Since taking government National has implemented short-sighted changes which have severely impacted the most vulnerable and disadvantaged groups seeking support from ACC. This includes cutting funding for falls prevention for the elderly and injury prevention at-large.

"Under National, the most effective fall prevention programme, the Otago Exercise Programme (that ACC's own evaluation found had reduced falls by over 30 per cent), was cut completely.

"One of the core aspects of Labour's policy is to strengthen injury prevention programmes in the workplace and in the home.

"It doesn't take a rocket scientist to work out we'll all end up paying more in the long run as a result of National's short-term thinking," Chris Hipkins said.

"Another contentious issue Labour's policy addresses is National's ACC levy hikes for motor vehicles. Motorcyclists have been particularly targeted by National.

"Labour is concerned that increasing vehicle registration costs are penalising those who own more than one vehicle or those who only travel short distances. As such we have committed to investigating whether more, or even all, of the ACC revenue currently collected through vehicle registration should instead be collected via fuel levies. Any such change would be fiscally neutral overall.

"Labour is also committed to rolling back the worst excesses of National's cuts to ACC entitlement, as circumstances allow. Labour does not intend to increase ACC levies.

"Since 1974 ACC has served New Zealand well. It is in sound financial shape and must not be jeopardised by narrow-minded cost-cutting.

"ACC is a public utility, it belongs to New Zealanders and Labour won't see it sold off to the highest bidder. Labour's policies will support a comprehensive, universal and public ACC to enable New Zealanders to own their healthcare, their recoveries and their futures," Chris Hipkins said.

## **FOCUS ON HEALTH AND SAFETY WELCOMED**

CTU welcomes announcements today that Labour would bring a greater focus to Health and Safety in New Zealand workplaces.

Helen Kelly, CTU President said "re-regulating the mining industry is an important step forward from the current approach which relies on self regulation and is obviously not working for our miners."

"Recognition that in high-risk industries, like construction, farming and road transport there needs to be additional measures and that these industries may require specific industry standards, is welcome."

"The idea of Health and Safety as part of a national conversation is overdue and is exactly the way that we should be thinking about Health and Safety as a country. We need to get to a place where it's OK to raise concerns about health and safety at work without fear of repercussions, and in the knowledge that concerns will be taken seriously."

Helen Kelly said " we need to take a serious look at the way we treat health and safety in New Zealand, we have to ask ourselves why our record of workplace accidents and injuries isn't improving and what we need to do about it. Establishing a Commission of Inquiry into New Zealand Workplace Health and Safety to look into these issues specifically will bring that focus to an important issue for all New Zealanders."

"This has been a bad year for New Zealand workplace deaths and accidents. But every year is a bad year actually, more than 200,000 workers are seriously harmed in New Zealand workplaces each year. We

support moves from Labour to bolster our Health and Safety Regulation and seriously consider our health and safety culture."

## **RISK OF INCREASES IN 'WORKING POOR' FROM NATIONAL'S WELFARE POLICIES**

"National's policy to get 46, 000 people off benefits provides no answers about where the jobs are coming from or any recognition about how tough it is for people in the job market right now" said CTU welfare spokesperson Eileen Brown.

The policy misses the point that the Welfare Working Group failed to grasp - that is when there are jobs available the benefit numbers drop. Thousands of the people targeted by this policy are on a benefit because they have been made redundant, their company has wound up or they have given up looking for a job because there just aren't any around.

Eileen Brown said "we would support any initiatives that ensure people who are genuinely able to work get the assistance they need to find a job that suits their talents and abilities. But we object to policies that force people to work when they are the best people to care for their children. Society would not tolerate this for anyone else in the community."

"This policy will push people into any kind of work, no matter how much it is paid or its quality. That means many vulnerable people will end up in low quality, insecure, low paid work, which will not increase their incomes or improve their quality of life. Low quality, badly paid work is as bad as unemployment for those affected. It puts both children and workers at risk."

"These policies include the possibility of a sole mother with two children including a 12 month old baby having the benefit removed if she won't accept low paid work."

The financial savings that the National Party claims must also be questioned because low paid employment incurs many other welfare costs including accommodation supplements and WFF tax

credits. Two out of every five children living in poverty are in households with at least one fulltime working adult. There is a high risk that we are simply moving these families from poverty under benefits to poverty in work, along with less contact between parents and children.

"Given the current job market our fear is that National's policies will just create a whole lot more working poor," stated Eileen Brown.

## **KEEP MMP RELEASES ANALYSIS OF FPP'S LOOKALIKE SYSTEM SUPPLEMENTARY MEMBER**

Keep MMP supporters say retaining MMP in the referendum on Election Day is the only way to ensure we maintain a proportional electoral system which is fair and truly representative.

The referendum gives voters two choices: to keep MMP, or to choose an alternative system.

Keep MMP has today released its analysis of the Supplementary Member (SM) system.

The anti MMP lobby is now supporting the SM voting system, which has all the same problems as first past the post, Keep MMP spokesperson Lewis Holden said.

"Under SM, voters in a few marginal seats will have much more influence in determining Parliament's make up, because three quarters of the seats in Parliament would be elected using FPP," he said.

"For many people, not only will their votes in these electorate races count for nothing, especially if they live in 'safe seats', but their vote for the party of their choice will be devalued also, as the party vote will only apply to the small group of 30 seats, not take account of all 120 seats as under MMP," Lewis Holden said.

Keep MMP spokesperson Philip Temple said that in 1986, the Royal Commission on the Electoral System rejected SM because it is not proportional and would be unfair to minor parties.

"In fact it makes things worse for minor parties because the main parties effectively get a 'winner's bonus' by unfairly scooping



up the bulk of the 30 supplementary seats," he said.

"Supporters of SM are promoting it as a compromise between FPP and MMP. I take strong issue with that. It is not a compromise. It is First Past the Post in disguise, and would see us return to the bad old days of unaccountable one-party rule."

Philip Temple said that with SM currently polling at 3 per cent, it was highly unlikely to be the most popular option in the November 26 referendum's second question, meaning if a 2014 referendum was triggered, it would be a run off between keeping MMP and going back to First Past the Post.

He said he was confident voters won't be fooled by the wolf in sheep's clothing.

"If you want parliamentary representation that is fair, and that delivers stable and effective government, vote to Keep MMP. That way more votes count and we will continue to get a Parliament that looks and thinks like New Zealand," he said.

Keep MMP today released its analysis of the SM voting system. It is available here:  
<http://www.campaignformmp.org.nz/sm>

## NATIONAL RETURNS TO YOUTH RATES

The CTU's youth wing, Stand Up, says National's 'Starting Out' wage released this morning is a return to youth rates which will not help the ticking time bomb that is youth unemployment.

Spokesperson James Sleep says "the Government has flip flopped over the issue of youth rates and the return will only mean poorer young people and greater uncertainty for those over 16 and 17."

"This is a clear return to youth rates and the Government has let down those they claim to be helping. Youth rates do not create jobs. They create poverty for those on them, and job insecurity for those not on them."

Sleep says the Government has ignored calls for more support at a community level to address youth unemployment.

"The Government has ignored constructive attempts by groups such as the Mayor's Taskforce for Jobs to implement on a national scale effective initiatives that have been proven to get young people into work."

"Greater investment in youth transitions and employment schemes is where the Government should be heading."

"The Government should be focusing on strengthening wrap around support for young people who are falling through the cracks after school, as well as expanding current employment schemes that are only a drop in the bucket."

Recent DOL research showed that raising the 16-17 year old minimum wage in 2008 resulted in no increase in unemployment because it encouraged more young people into education. National is also proposing reducing the quality of training that is required for young people by allowing them to be paid the training rate for only 40 instead of 60 credit points.

## NATIONAL'S PLAN FOR A LOW WAGE ECONOMY

CTU says that announcements from John Key confirm that National's plan for our economy is the low wage, race to the bottom tactic relying on cheap labour as a competitive advantage.

CTU President Helen Kelly said "National is determined to weaken collective bargaining, which is established internationally as the most effective way to raise wage levels. Allowing employers to opt out of multi-employer agreements makes the most effective agreements for raising wage levels harder to achieve. National also wants to take away any duty on employers' part to conclude a collective agreement, further tipping the table in favour of employers and low wages. The removal of the requirement for non-members to be covered by the collective in the first 30 days of employment undermines the collectives in place and places another barrier to collective coverage and union membership."

"National is undermining New Zealand's collective bargaining. It will lead, as it did in the 1990s, to a low wage economy, and as in the 1990's won't help create new jobs."

"There is no incentive in these proposals for employers to pay good wages, and increase their productivity. This is a recipe for a low wage, low value economy."

"The Starting out Wage is nothing more than a shorter term youth rate. Recent DOL research showed that raising the 16-17 year old minimum wage in 2008 resulted in no increase in unemployment because it encouraged more young people into education."

"Cutting wages will not reduce our high youth unemployment. Only better policies to stimulate employment generally, and focussed assistance for young people will do that. At the same time National is proposing reducing the quality of training that is required for young people by allowing them to be paid the training rate for only 40 instead of 60 credit points."

"Partial pay reductions for partial strikes is unfair and takes away the option for employees to undertake action like 'work-to-rule' and overtime bans. These are valid forms of collective action during negotiations and is this proposal is yet another way that National wants to weaken employee bargaining ability," said Helen Kelly.

"New Zealanders have a clear choice on November 26 between National and a low wage economy or a Labour led government with a plan for a high wage economy."

## **EXTENSION OF PAID PARENTAL LEAVE GOOD FOR WORKING WOMEN**

The extension of paid parental leave to 26 weeks is great news for women, workers and communities. This is one incredibly important announcement for working women said Eileen Brown, CTU Spokesperson.

"This is a policy that has big ripple effects – all of them positive. The benefits from extending paid parental leave will be quickly felt. It will improve the health of mothers and children. It helps working mothers to breast feed up to six months of age, meeting the World Health Organisation's recommendation. It also helps prevent premature return to the

workforce on the basis of financial stress and it enables women to stay connected to the workforce but have a reasonable period of time off with their newborns"

Most other OECD countries offer longer periods of paid parental leave than New Zealand, and many provide leave at a higher proportion of previous income. Australia offers 18 weeks, paid at a higher rate than New Zealand's. "In fact, New Zealand should be moving to the Families Commission's recommendation of 52 weeks plus four weeks paid leave for the partner, the internationally accepted standard, but we accept this a good first step."

"Quite frankly the National Government had been a complete laggard on paid parental leave despite the evidence about the importance of it and the difference it makes. Since 2008 they have done the bare minimum on paid parental leave and only provided for cost of living increases each year in paid parental leave payments. After being a leader when paid parental leave was introduced in 2002 and extended in 2005 from 12 to 14 weeks, we are now lagging internationally."

Eileen Brown said "while this policy is particularly important for mothers to allow them to take a reasonable amount of time out of paid employment, it is also good for partners of working mothers as they can take leave more easily and share in the caring responsibilities for children and families."

## **BITS AND BOBS**



Mechanical progression and wages relativity with Networks is an issue on the boil presently. The RMTU and KR met late last week in a shortened lineout to discuss the alignment of mechanical engineer rates of pay. Howard Phillips (the RMTU rep) reports that good progress was made.

**Please take care of each other and above all else - Let's Be Safe Out There!**

