

# New Zealand unions mount bogus “Fairness at Work” campaign

By John Braddock  
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Led by the Council of Trade Unions (CTU), New Zealand’s unions have launched a campaign under the slogan “Fairness at Work,” ostensibly to oppose a raft of changes to the Employment Relations Act 2000 (ERA) currently before parliament.

Like governments around the globe, the conservative National Party-led administration is intensifying attacks on jobs, wages and living standards in order to make the working class pay for the economic crisis. Since assuming office in 2008, National has moved to destroy hard-won working conditions. It has previously implemented a youth pay rate set at just 80 percent of the adult minimum wage of \$13.50 an hour, a 90-day “trial period” for new hires, and carried through sweeping attacks on the rights of film industry workers at the behest of *The Hobbit* producers.

The Employment Relations Amendment Bill gives draconian new powers to employers. The changes include the right to enforce terms and conditions for new employees that are inferior to those in an existing collective agreement and the ability to reduce workers’ conditions when a business is transferred or outsourced.

The Bill also removes several current restrictions within the ERA, to give employers the unfettered right to dictate the terms in any industrial dispute. The present law requires employers to conclude a process of collective bargaining unless there is “a genuine reason, based on reasonable grounds, not to.” The changes will let employers withdraw from bargaining at any point and end contract negotiations unilaterally. If the Employment Relations Authority declares bargaining is over, so is the existing collective agreement.

Under the new provisions, employers will also be able to legally employ strike breakers. There are extra

restrictions on strikes, including allowing employers to deduct pay for a partial strike, for example when workers are still working but refusing to perform part of their normal duties. Other changes include the removal of automatic entitlement to meal and refreshment breaks. Employers will also be able to opt out of multi-employer bargaining, where one collective agreement covers several different employers.

The CTU and its constituent unions have in recent weeks mounted a campaign against the Bill, staging a series of one-day rallies and stunts involving several thousand workers. The purpose of the protests is to divert the anger and concerns of workers over the implications of the legislation into futile petitioning before a parliamentary select committee.

The unions do not oppose the legislation in toto. Rather they are focussed on preserving their monopoly position under the existing ERA industrial laws in “collective bargaining”—that is, their role as the enforcers of the demands of big business. Their main criticism of the Bill is that it will, according to the CTU, “discourage workers from getting involved in collective bargaining and from being part of the union.”

While protesting the government’s amendments, the unions defend the ERA itself which, they claim, was designed to “support collective bargaining.” According to the CTU, the ERA needs to be “strengthened, not weakened.” Extending collective bargaining to a much greater number of workers, the CTU contends, would result “in better working conditions and better wage increases,” and help “to raise the bar for non-union workers too.”

These claims are entirely fraudulent. The ERA was drawn up by the CTU and enacted by the Labour government of Helen Clark after it took office in 1999.

It replaced National's 1991 Employment Contracts Act (ECA), which dismantled the previous system of national awards and undermined the role of the unions. Workers had already been leaving the unions in droves, in anger and disgust over their role in suppressing opposition to the 1984-90 Labour government's job cuts, deregulation and asset sales. The ECA contributed to a further decline in union membership.

Labour's ERA with its emphasis on "collective bargaining" provided a lifeline to the union bureaucracy. Over the past 13 years, under Labor and National governments, the unions, using the ERA's sweeping anti-strike measures, have played the central role in suppressing any opposition by the working class to the continuous attacks on living standards. The ERA outlaws all strike activity, including secondary or "sympathy" strikes, except those by unions directly involved in contract negotiations, while legalising employer-initiated lockouts.

According to a Ministry of Social Development report released in August 2012, income inequality in New Zealand is now at its highest ever level. Median household incomes fell by 3.0 percent in 2011, for the first time since the early 1990s. Currently, a third of all workers receive less than \$18.40 per hour. Unemployment is running at 6.4 percent.

The CTU trumpets a wage rise in 2005 as a key success for collective bargaining. However, the raises won in that year were largely attributable to pay parity measures in health and education, and have not been repeated. Austerity measures since the 2008 global financial collapse have resulted in a sharp decline in wages. In the year to June 2013, public sector workers received a nominal pay increase of just 1.5 percent and private sector workers 1.7 percent, the lowest since 2001. Around 45 percent of workers received no increase at all.

The unions have suppressed any resistance to the onslaught on jobs in manufacturing, public services, mining, rail and the postal service over the past year. For over a decade, strike activity has been at an all-time low. According to the latest available figures, there were only 12 work stoppages in the whole of 2011, the lowest figure since the data began to be collected in 1986.

The opposition Labour Party, the Mana party and the Greens, along with the various pseudo-left groups such

as the International Socialist Organisation (ISO), have all endorsed the union's bogus "Fairness at Work" campaign.

Newly-installed Labour leader David Cunliffe has promised to repeal the amendments and "all the other draconian anti-worker laws" if voted into government at the elections next year. This is pure hypocrisy. Cunliffe was a member of the Clark cabinet that presided over relentless attacks on living standards for nearly a decade. He has reassured the unions they will be given a key role in enforcing new industry standard agreements that Labour will introduce to carry out a new round of pro-market restructuring.

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