

New Zealand Labour government entrenches anti-worker measures

By John Braddock
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Throughout 2018, the working class in New Zealand, spearheaded by thousands of nurses, teachers, public servants and transport workers, joined the mass struggles against austerity and declining living standards taken up by workers internationally.

The movement is continuing in the New Year. Some 3,300 junior doctors at public hospitals struck for 48 hours this month and will hold another strike beginning January 29, in opposition to a freeze in real wages and demands for longer shifts.

Strikes by thousands of teachers over unsettled contract claims have been foreshadowed for when the new school year begins in February. Learning support workers employed by the Ministry of Education, managing services for children with extra learning needs, this week walked out for a month over a rejected pay claim.

The response of the Labor-NZ First-Green Party coalition government has been to present a phoney “progressive” façade, while implementing the austerity agenda dictated by big business.

Installed in office after the 2017 election, Labour and its right-wing populist partner, the NZ First Party, pledged to restore capitalism’s “human face” with policies based on “kindness.” One widely-promoted promise was to change the law to strengthen workers’ rights to organise and improve their conditions. As with vows to address the housing crisis and the under-funding of hospitals, this has proven completely hollow.

Labour’s amended Employment Relations Act (ERA), which became law in December, retains the draconian anti-working class measures from the 1999–2008 Labour government’s industrial laws. These continue to outlaw strikes, except during collective contract negotiations, or over health and

safety issues.

When 30,000 nurses struck last year, they faced restrictive “good faith” bargaining provisions, which require ongoing negotiations between the union and employers, and strike-breaking requirements for large numbers of nurses to remain in hospital wards. After Labour declared there was “no more money” to grant substantial wage and staffing increases, the NZ Nurses Organisation shut down the movement and imposed a three-year settlement which fails to meet the increased cost of living.

The trade unions and pseudo-left groups have hailed the new industrial laws. Mike Treen, head of the Unite union and former leader of the now-defunct Socialist Action League, last year claimed that the changes would “significantly enhance workers’ power” by giving more power to the unions. However, these same organisations have suppressed any real struggle against austerity and pro-business deregulation for the past four decades.

In fact, under the ERA, the hated 90-day “trial” period for new hires has been ended only in firms with over 20 workers. Small businesses, which account for some 97 percent of workplaces, can still summarily dismiss workers during this period. Minor legal rights to tea and meal breaks are restored.

To bolster the unions’ role in policing the working class, the new law grants them improved access to workplaces. Union representatives can enter workplaces without consent in order to negotiate or enforce collective agreements. Workers will have protections against discrimination on the basis of their union membership, while union delegates gain guaranteed paid time for union activities.

After pressure from business and NZ First, the draft legislation was altered to enable employers to

unilaterally opt out of multi-employer collective agreement (MECA) bargaining. Business NZ chief executive Kirk Hope said this change made the bill “more acceptable” to business.

Fifteen months into its term in office, far from improving the lot of working people, the government and the trade unions are centrally responsible for an intensifying assault on the social position of the working class.

A recent Council of Trade Unions (CTU) cost-of-living survey highlighted the crisis facing workers. While intended by the union bureaucrats to feign sympathy for their plight, the survey pointed to the underlying conditions that have driven the upsurge in workers’ struggles.

Seventy percent of the 1,195 survey respondents reported their incomes were not keeping up with rising costs, while over 55 percent said their workloads had worsened. One commented: “After... coming back to NZ it is ridiculous how expensive basic groceries are—not to mention fuel and power.” Another said: “I have been in my current job 10+ yrs. I have had to do 2 merit steps to be paid \$22.60 per hour. This is the same pay I was on when I left Australia 12 years ago. My position can be stressful & holds a lot of responsibility. I feel undervalued & underpaid.”

Economist Bill Rosenberg cited figures revealing the declining share of workers’ income in the overall economy, a process that began under the 1984–90 Labour Party government, and deepened following the 2008 global financial crisis.

According to a new Oxfam report, in the first year of the Ardern Labour government, the poorest half of the population, 2.4 million people, “became collectively \$1.3 billion poorer.” The country’s richest 5 percent now have more wealth than the bottom 90 percent, with the two richest individuals adding \$1.1 billion to their fortunes in 2017–18.

Labour’s priority is to keep taxes low for corporations and the rich, and public spending restricted, while boosting funding for the military and police. Government spending, at 28 percent of gross domestic product, is lower than for almost all of the three terms in office of the previous National government.

Amid rising anger among workers over the unions’ role in enforcing the requirements of big business,

pseudo-left commentators are seeking to subordinate workers to these pro-capitalist organisations.

On the *Redline* blog, Don Franks, formerly of the Maoist Workers Party, feebly criticised the “concessions” in the ERA legislation. He appealed to the CTU leadership for a change of tactics, declaring: “Together we can make 2019 a great year for working people. If we get back to some hardball union basics.”

This is a fraud. The plummeting social position of the working class, and ongoing strangulation of workers’ struggles requires nothing less than a complete political break from Labour and the establishment parties, and a rebellion against the union bureaucrats, who function as tools of management and the government. New organisations, rank-and-file workplace committees democratically controlled by workers themselves, must be built in a fight for a workers’ government and socialist policies.

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