



Monday, 10 March 2014

NZMWU REPLIES:

AFFCO's Summary was a company perspective; at no stage did they mention "Union Claims". Normal negotiations are based on both parties having reasonable consideration of each other's position.

AFFCO has "paused" negotiations, AFFCO has "slowed" negotiations because the NZMWU did not agree to AFFCO's claims. In fact AFFCO "paused" negotiations so long that it took ten weeks after initiation before they agreed on a date to commence negotiations. Negotiations should be about two parties to the negotiation having the time and opportunity to consider each other's claims. Although requested, AFFCO did not allow members at the majority of their plants this opportunity to consider the claims put forward.

**Moving forward:** AFFCO is "being challenged by opposition processors who are able to operate at a lower cost". This is an outdated statement that may have had some relevance prior to 2012 – 2013 CEA. **Affco's lockout** achieved for AFFCO extreme flexibility in manning/tallies/payments which now would match opposition processors productivity with in many cases lower wages.

In all other opposition CEA negotiations claims are being put forward on the basis "To operate at AFFCO's; lower costs and flexibility"

The rest of the industry seems to disagree with AFFCO's assessment of who has "lower costs" and "more productive employment agreements"

### **480 minutes processing in ordinary time.**

The union has already informed the company that we disagree with their assessment of the number of plants and workers who currently work a 480 min processing day. The union can establish that it's a minority of plants and workers that work these times. Many of whom were compensated for doing so by higher ordinary time rates.

Experiences show us that increases in capacity has normally resulted in shorter seasons.

### **\$400 minimum weekly payment.**

Not being "Einstein's" Union members find it hard to accept the logic of "less means more" The Company is completely missing the reasons for having a minimum. It is not about company profitability but about workers being able to survive and recognition by the company that the skills of the workers deserve compensation not just when required but also when they are expected to be available "on tap".

The company "advised the union that none of our competitors to our knowledge have such high minimums" the union was pleased to be able to add to the company knowledge and advised them that in fact the vast majority of their competitors had minimums equal to or higher.

### **Universal rates and one half overtime.**

AFFCO is talking about standard across most AFFCO plants. What is not being mentioned is that in fact the plants were standard until agreements on plants altered this. Each plant ended up with different packages but based on the same overall. If plants with a higher O/T rate are to go back to "standard" is the company also going to restore the "standard" concession given by those plants or is the company stating that they will keep what they got but the plants will give up their part of the packages. Again the company seem to have a different position on their competitors penal payments as the majority of them pay penal on full earnings and not, as AFFCO, on a lower hourly component.