



Union News

JANUARY 2010

WHY WE NEED A PAY INCREASE

- Wage increases help the economy more than tax cuts (especially if, like recent tax cuts, the majority of money goes to the well-off);
- Inflation may be falling, but the price of basic essentials like food and housing are still high;
- The Government wants NZ wages to be on a level with Australia's by 2025. To achieve this, New Zealand will need wage rises of around 4.8% per year over the next 15 years;
- What you get paid matters as much to you as the price of goods matters to exporters, retailers, and farmers. It's important to still have a job, but what you get paid for it matters too;
- This recession was not caused by wages being too high.



NZ kill as at Saturday 26 December 2009 (week 12)

- Lamb down - 16.8% (1,001,263) NI - 23.2%
- Sheep down - 6.7% (90,774) NI + 8.4%
- Calves down - 33.9% (58,384) NI - 38.1%
- Steer down - 16.7% (25,373) NI - 20.8%
- Heifer down - 0.6% (557) NI - 7.1%
- Cow down - 12.8% (13,892) NI - 17.3%
- Bull down - 24.2% (35,097) NI - 27.8%

Total cattle down - 14.8% (74,919) from 505,680 to 430,761 cattle [NI - 19.5%]

JOB PROTECTION = Seniority "Last On, First Off"

Seniority comes in many forms

- Plant seniority
- Departmental seniority
- Job seniority

Seniority - is the principal.....

**"Last on, First off
First hired, Last fired"**

Applies to....

Restart at the beginning of the season

Lay off at the end of season

Redundancy

Shifts/Overtime deemed more favourable

Jobs deemed more favourable

Seniority - gives those workers that have served the company loyally, reliably, developed skills, demonstrated their trustworthiness and an acceptable attendance performance the ability to progress from the generally lower paid labouring positions to the higher paid slaughterer (Beef/Lamb) positions or higher paid boner (Beef/Lamb) positions.

Many new starters don't develop a track history of attendance, loyalty and trustworthiness in their first

season with the same employer.

The majority of Union negotiated Collective Employment Agreements [CEA] have a clause "SENIORITY". Some companies exploited the Employment Contracts Act 1991 to the maximum by deleting seniority. Many workers now want the protection of a Seniority clause due to lack of fairness at the conclusion of the season and access to training for high paid jobs. They are threatened with dismissal at the conclusion of the season if they are not at work for every minute of the day and every day of the season. **These plants have the highest labour turnover.**

Seniority - Dictionary

priority, precedence, or status obtained as the result of a person's length of service, as in a profession, trade, company, or union:

First choice of vacation time will be given to employees with seniority

NZ Meat Processing Industry

- 92% of lamb is exported - Despite accounting for just 6.4% of global production, NZ accounted for 40% of global exports by volume in 2007.
- NZ lamb exports have moved from primarily frozen carcasses in the early 1970's, to now nearly 95% being further processed, value-added product. Recent development is the steady growth in exports of high value chilled lamb.
- 82% of beef is exported - In 2007, NZ accounted for 1% of global production by volume, but made up 7% of global exports
- 95% of venison is exported
- Productivity in meat processing plants. A typical sheep processing chain in the 1980's employed more than 50 people and processes 3,000 sheep per day. Modern plants typically employ 30 people per chain and process 4,000 sheep a day. 1980's 55 sheep per person, today 130 per person.
24 beef per person per day, today 14 per person.

Major NZ agricultural companies

Company	Rank	Revenue (NZ\$m)	Assets (NZ\$m)	Employees
Fonterra	1	17,018	14,439	16,400
Silver Fern Farms	15	1,846	654	8,000
PGG Wrightson	25	1,245	1,471	1,983
Zespri Group	27	1,160	173	136
Alliance Group	29	1,116	434	5,500
ANZCO Foods	32	1,038	440	2,500
AFFCO	34	949	386	2,300
Ravensdown	46	674	628	650
Tenon	67	496	305	N/A*