

JUNE 2013



# UNION NEWS

## Employment Law - Wage Cut Law

New Employment Bill was introduced to Parliament last week, this Law change if passed will have a significant impact on your wage packet. This Law change will follow on from other Government Law changes 2010 & 12, Fire-at-Will 90 day etc.

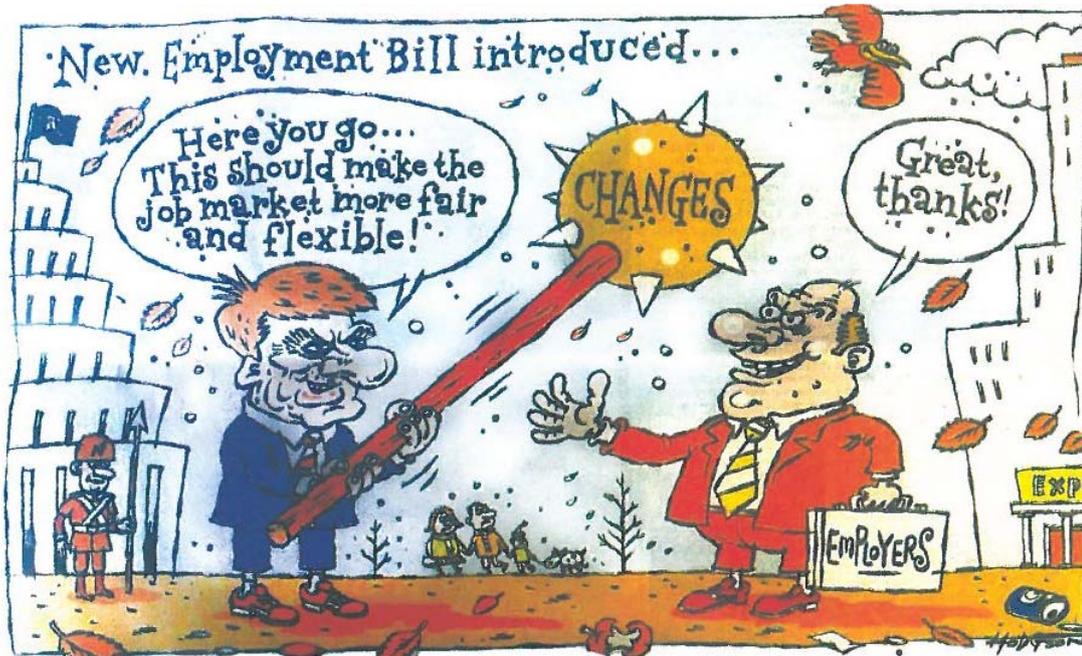
**How? You may ask!**

Go to our web page for latest information - <http://www.nzmeatworkersunion.co.nz>

This Bill aims to drive down wages and conditions for NZ workers.

1. Undermines The Most Effective Way To Negotiate Wages - Collective Bargaining is the best way to improve wages.
2. Allows Employers To Stop Negotiating - this will make it easier for employers to contract out, such as IEA's
3. Removes Protection For New Workers - allows employers to hire new workers at lower wages & worse conditions
4. Make Bargaining More Difficult - multi-employer collective agreements can cease by a written letter from employer
5. Removes Protection for the most Vulnerable Workers
6. Smoko Breaks (Rest Breaks) are written into Law now - they are minimum provisions. This Law change will remove your legal entitlements to breaks of a certain length at a particular time.
7. Partial Strikes - allows the employer to deduct from their salary the time.
8. Good Faith changes as well

Your Meat Workers Union will attend the Select Committee opposing the proposed changes. The Talley/AFFCO lockout identified very clearly to this Union and its membership that the existing Law is very weak around bargaining, after only 10 hours of negotiation Michael Talley & Graeme Malone gave Mike Nahu & Dave Eastlake the lockout notice in Nelson - 13 weeks!



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**"THE LAW WILL BE EVEN WEAKER AFTER THESE NEW CHANGES"**

National Party wants to push this Law through, rewarding those families that donate to National - read Nicky Hager's book "The Hollow Men". The Law changes will make Talley's richer, larger 'castles' in Motueka. Meat companies will follow a low wage path, high churn (turnover), high work speeds, high stock throughputs, greater Health & Safety risks, longer hours of work, for minimum reward. It's no secret, if the meat union is driven out of the Affco plants, Talley's will be in a position to pay meat workers the same low wages and poor working conditions as there employees are paid in the fish & shellfish factories. The Meat Union is not going away we staying put!

**Deadline - Thursday 25 July**

Submissions opposing this Employment Relations Amendment Bill need to be posted to:

No stamp required - *The Transport and Industrial Relations Select Committee, Parliament Buildings, Wellington* before the 25th July 2013. This Law change will effect every meat worker - removing provisions on smoko breaks - employer can walk away from negotiations - new starters can be paid less than the CEA etc....

# SPM - Spend \$2 to save a \$1



SPM Malvern - SPM executives are hell bent on keeping the plant union free, "union busting" USA style. Rather than training locals, the executives prefer flying in meat workers from around the country, Horotiu, Imlay, Rangiuru, Wairoa, Imlay, Manawatu, Moerewa, Land Meats & Awarua to speed up the chain.

An example; a worker from Moerewa \$1,000 air fare to Christchurch, 4 nights accommodation/dinner/breakfast/allowance \$650, transport \$100 - \$1,750 per worker.

On average 30 workers per week - approx. \$50,000 over and above the normal wage bill.

SPM Malvern must be highly profitable.

If SPM paid the locals decent wages and conditions, there would be a happier workforce with less churn and less of a need to be propped up with immigrants and skilled meat workers from around NZ.

What the Union finds so unfathomable in its dealings with Affco/SPM, why the executives are prepared to spend \$2 to save a \$1? Where is the pay back? Workers that are kept ignorant of their rights and entitlements. Alone & isolated!

Surely in a modern educated society where we care for fellow NZ'ers, the pay back is in our children being raised healthy, educated, comfortably well off with reasonable time to spend with their parents.

## EMPLOYMENT BILL AMENDMENTS

One of the worrying parts of the proposed changes is the removal of the current duty of good faith on an employer and a union to conclude a CEA.

This amendment may appear at first glance to be a modest proposal, it is designed solely to destroy the ability of workers and unions to negotiate and maintain CEA's. It will allow an employer with an expiring CEA to engage in what is called surface bargaining (turn up to bargaining but have no intention of concluding a CEA), refuse to conclude the CEA, apply to the Employment Relations Authority for a declaration that bargaining has ended and then push workers into individual employment agreements (IEA) with lower wages and inferior conditions to those in the old CEA.

Under the proposed changes, unions would then have to wait 60 days in this unprotected state before they could initiate again for a CEA, or take any strike action in pursuit of a CEA.

During this time, the employer could do all it could to undermine the union and the bargaining, or even sack workers and contract their work back at lower wage rates by using casuals, IEA's & labour hire firms.

How the Government can claim that this is merely a "technical amendment" is ridiculous.

*Unions lift wages for non-union members by creating a higher prevailing wage.*

*Even if you aren't a union member, your pay is influenced by the strength or weakness of organized labor.*

*The presence of unions sets off a wage race to the top.*

*Their absence sets off a race to the bottom.*

## PRIMARY INDUSTRIES 2013

Ministry for Primary Industries (MPI) expects primary sector export revenues to increase 2.2% to \$24.1 billion in the year to June 2014, and thereafter to grow at a compound annual growth rate of 7.4% over the outlook period, to \$29.5 billion in 2016/17. This favorable medium-term outlook reflects the sector's ability to tap growing markets in Asia, a rebound in international growth prospects, and a gradual softening in the \$NZ. **Beef** prices in the key US market have strengthened since December 2012 because of constrained domestic supply. Export **lamb** prices in UKP were down 25% on the peak in December quarter 2011, due to depressed demand and cheaper alternative meats. Export prices are forecast to start rising from December quarter 2013, because of a drought induced fall in lambs born in NZ.

## EMPLOYMENT BILL AMENDMENTS

Another worrying change being proposed is the removal of the 30-day rule. Currently if the work of a new worker is covered by the CEA and the new worker is not a member of the union, the worker must be employed on terms and conditions in the CEA for their first 30 days of employment. Employers and workers cannot agree with anything that is less than these terms. The 30-day rule also provides new workers with an opportunity to decide if they want to join the union and continue to be covered by the CEA. And it gives unions a chance to discuss with the worker the many benefits (not only wages and conditions) of being a union member.

Under the proposed changes, the 30-day rule will be gone and employers will be able to exclude these new workers altogether from the CEA. Employers could use this tactic to slowly de-unionise current union sites and to destroy the CEA over time.

There are many more nasty aspects to the proposed changes such as the removal of the minimum entitlement to a tea break and allowing employers to deduct up to 10% of a workers wage if they take only partial strike action.

These changes do not represent a path to higher wages, lower unemployment or safer workplaces that are so desperately needed in NZ. John Key promised a "brighter future" in the 2011 election campaign - These changes will cut wages !

Sign up to the union campaign - <http://union.org.nz/whycutourpay>