

Chronicle

December 1998

Owner drivers picketed Tranz Link's depots in protest against the company's attempt to get them to sign contracts which, according to the Combined Owner/Drivers Association, would result in a 40 percent reduction in contract cartage rates and thus, would put many owner drivers out of business. The Association said that the Tranz Link contract deal threatened the entire road transport industry. According to the *Independent*, Tranz Link had stated that the contracts were not negotiable, and that a significant number of owner drivers in Wellington, Marlborough, and Nelson had already signed the contracts.

Four port companies brought a successful industrial tort action in the High Court against the NZ Seafarers Union. The companies claimed that the pickets (staged between June and September 1997) caused them to lose money because the pickets prevented them from servicing their clients. The judge awarded damages against the union because he was of the view that the pickets went beyond the point of providing information. He said that the union's activity was tortious because it amounted to an imposition of control over the affairs of the port companies.

The Government announced that it had decided to keep the statutory minimum adult wage at seven dollars an hour. The chief economist of the Council of Trade Unions, Peter Harris, stated that it showed the Government's complete indifference to the interests of working people. However, the Minister of Labour, Max Bradford, defended the Government's decision. He said that an increase would be neither responsible nor prudent and that raising the statutory minimum wage would risk job losses and restrict work opportunities for the most vulnerable workers and job seekers.

The contention between the Government and the Post Primary Teachers Association (PPTA) over the issue of bulk-funding of teacher salaries continued (see October 1998 *Chronicle*). The *Dominion* reported that the Government had threatened to impose bulk-funded salaries unilaterally and call off pay talks if the PPTA continued to oppose the introduction of bulk-funding into secondary schools. Minister of Education, Wyatt Creech said that the mass resignation of the Central Hawkes Bay College board in the face of PPTA opposition to its decision to opt for bulk-funding was one of the main factors that had prompted the Government to take a tough stance on the issue. However, PPTA vice president Roger Tobin stated that the PPTA's opposition to bulk-funding remained undimmed. He added that the Government's move to make bulk-funding compulsory would result in site contract bargaining and this could lead to school-by-school industrial disputes between boards and teachers.

The dispute between the PPTA and its former president Mr Martin Cooney continued. The PPTA ethics appeal board upheld the PPTA executive's decision to dismiss Mr Cooney (see September 1998 *Chronicle*). Mr Cooney responded by stating that he would consider taking his case to the High Court if the board did not change its decision.

Parliament's year-long investigation into the appointment of Fire Service Commission Chairman Roger Estall came to an end (see August 1998 *Chronicle*). According to the *NZ Herald*, the inquiry report concluded that the Government had misjudged the degree to which Mr Estall's role on the Fire Service Commission would be seen to conflict with his consultancy role with insurance broking firm Marsh & McLennan and his right to return as a director of that firm.

The Government's community wage scheme attracted criticism from members of the Opposition. For example, Labour Party MP Marion Hobbs stated that the scheme put barriers in the way of people with disabilities. She added that the scheme was about pushing people into "fill in time" work, without supports, safety assurances, or recourse to legal protection. However, the Associate Minister of Work and Income, Peter McCardle, refuted these criticisms. He said that a review of the scheme's first three months showed that more than 2000 organisations were using its workers and that more than 4300 people were taking part.

The Corrections Department's employment scheme for prisoners attracted adverse publicity (see November 1998 *Chronicle*). The Trade Union Federation stated that prisoners at Paremoremo, Hawke's Bay and Christchurch were growing various crops for export and that several of New Zealand's main trading partners had laws against importation of products made with prison labour. The Federation planned to file a complaint about the matter with the International Labour Organisation. Fruit Growers Federation Chief Executive, Peter Silcock, said that it would be a real concern if New Zealand's exports were jeopardised by companies that contracted for prison labour.

The Minister of Accident Compensation (ACC), Murray McCully, announced changes to ACC levy rates. The ACC levy paid by workers would rise by 14 percent and employer's premiums would fall by nine percent from 1 April 1999. Mr McCully said that he was disappointed at having to increase the premium of wage earners and he planned to give employees the chance to shop around for a better deal from July 1999. The *Independent* reported that the Labour Party's ACC Spokeswomen, Ruth Dyson, had announced that the Labour Party intended to reverse the Government's partial privatisation of ACC if it won the election in 1999. She also advised employers to continue to use the ACC scheme in order to minimise the disruption that would be caused by such a reversal.

The Defence Force's attitude to the issue of sexual harassment continued to attract adverse publicity. The *NZ Herald* reported that the Defence Force's policy on sexual harassment was criticised in a legal opinion written by the Human Rights Commission. The opinion, which was made public by MP Ross Robertson, found that six male officers and ratings of

the frigate Wellington harassed a female rating in 1996. The opinion went on to say that low acceptance of an anti-harassment policy by senior crew members created a climate that enabled sexual harassment to flourish.

It was also revealed that the Defence Force had reneged on an undertaking made by Defence Force Chief General Birks to adopt all 121 of the Human Rights Commission's recommendations to eradicate sexual harassment (see November 1998 *Chronicle*). The paper reported that the Defence Force had written a letter to the Commission, denying that the Human Rights Act required General Birks to obtain acceptance of its anti-sexual harassment policy from all personnel.

Job cuts and layoffs were announced by employers in the meat and forestry industries. Fletcher Challenge Forests stated that nearly 100 workers in the Eastern Bay of Plenty area would lose their jobs in 1999 as a result of a drive to cut costs at its Kawerau sawmill. Carter Holt Harvey said that it planned to introduce new tree management policies which would enable it to dispense with the services of about 150 contract workers employed to prune trees in its forests. Affco said that it would lay off 109 meat workers at its Morewa plant in Northland because of a Christmas shutdown.

Wilson and Horton announced plans to make 27 editorial staff at *The New Zealand Herald* redundant. Wilson and Horton also stated that its planned merger in 1999 of the *Hawkes Bay Herald Tribune* and the *Daily Telegraph* would result in the loss of approximately 60 jobs.

A survey carried out by a visiting professor at Otago University, Bob Boudreau, showed that nearly four out of ten New Zealand workers were suffering from advanced stages of job burnout. The survey of 1099 workers in the manufacturing, contracting, health, emergency service and small business sectors found that, on average, 38 percent of the workforce had serious burnout or chronic job stress.

January 1999

Changes to the Human Rights Act outlawing discrimination against people on the grounds of age were publicised widely. The changes, which take effect from 1 February 1999, prevent employers from compelling employees to retire when they become eligible for superannuation. Workers over the age of 60 years can only lose their jobs because of serious misconduct, redundancy, or failure to meet objective performance criteria. The *NZ Herald* reported that employment lawyer Peter Kiely expected a surge in litigation as employers tested the boundaries of the law change.

A protracted contract dispute between Wellington's Cityline bus drivers and Stagecoach, the owner of Cityline, ended when the parties signed a collective employment contract. The settlement came after almost a month of pickets, confrontations and allegations of abuse and sabotage.

An attempt by an Upper Hutt supermarket to carry out credit checks on prospective employees attracted media attention. The supermarket job application form contained a requirement that job applicants had a credit check. The regional secretary for the National Distribution Union said that the form breached the Privacy Act.

Mr Graeme Macann became the new president of the Post Primary Teachers Association (PPTA). He replaced dismissed ex-president Mr Martin Cooney. Mr Macann stated that he had sent a clear message to the Minister of Education, Wyatt Creech, that the settlement of the PPTA's long-running pay dispute with the Government was a matter which would be given top priority in 1999. Mr Creech announced the Education Ministry would resume talks with the PPTA immediately.

The restructuring of the police force continued (see September 1998 *Chronicle*). Senior police officers were told that their jobs could be axed. The police national headquarters said that officers ranked inspector and above had been sent letters advising them that they would have to reapply for their jobs. The Police Association estimated that up to 140 officers would be applying for 105 positions.

On the other hand, 245 police officers had left the police department in 1998 at a cost of \$47 million in government superannuation, according to the *Dominion*. The figures were obtained from National Mutual which administers the government superannuation fund. Assistant Police Commissioner, Neville Trendle, said that the number of officers leaving the department was lower than in 1997.

The restructuring of the Fire Service generated further controversy. The Professional Firefighters Union said that it intended to take more action in the Employment Court (see November 1998 *Chronicle*) in order to prevent the Fire Service from proceeding with plans to cut 100 jobs on February 1999. The union said that it would be seeking an interim injunction against the Fire Service's move on the grounds of inadequate consultation and an unfair redundancy proposal.

The Government's community wage scheme came in for more criticism when MP for the Alliance Party, Grant Gillon, revealed that beneficiaries on the scheme were doing jobs for the Fire Service. Mr Gillon said that seven community work projects sponsored by the Fire Service were underway. The President of the Professional Firefighters Union, Mike McEnaney, expressed his disquiet about the matter. However, the Associate Minister of Work & Income, Peter McCardle denied that the beneficiaries were replacing permanent staff. He said that they were doing positive work that would not otherwise be done.

The meat company Affco announced that the 109 meat workers laid off from its Morewa plant before Christmas would be re-employed. The firm said that it would add 400 workers to its payroll including the 109 which it had previously laid off.

The *Dominion* reported that research scientist Dr Tony Kettle had expressed concern about the lack of funding available to scientists for research purposes. He said that the annual

grant round in which scientists applied to the Health Research Council for money had left some of New Zealand's brightest researchers facing unemployment. He added that as a consequence of this state of affairs, many scientists were leaving the country or switching occupations.

February 1999

Workers at Formica South Auckland expressed concern at the company's plans to install fingerprint-scanning time clocks, according to *NZ Herald*. The workers said that they did not oppose clocking as such but that they feared that technology could be linked to other fingerprint-based databases, giving the company access to personal information such as bank balances. However, Formica told the workers that the technology would not scan complete fingerprints and would only be used to improve timesheet records.

The *Dominion* reported that the Executive Director of the Business Roundtable, Roger Kerr, told the Parliamentary finance and expenditure select committee that employers ought to have the right to discriminate on the basis of age, sex and disability. His comments were intended to be a critique of the changes in the Human Rights Act which made it illegal to discriminate against employees on the basis of their age. Mr Kerr said that the legislation would be a serious deterrent to employment and sound business practices. His comments were condemned by Andrew Little, general counsel for the Engineers' Union. He said that Mr Kerr was arguing for an arbitrary management style which did not produce an effective workforce.

Support staff at Porirua's Kenepuru Hospital attended stopwork meetings in order to discuss a breakdown in employment contract negotiations. The staff threatened strike action on the grounds that they were sick of being treated second-best to clinical staff. The staff wanted a pay increase of \$20 a week but their employer, Capital Coast Health, had offered them up to \$9.50. In an attempt to avert a nurses strike at Hawke's Bay Hospital, HealthCare Hawke's Bay offered to hire more nurses and promised to address pay demands and staff stress problems. The Nurses Organisation said that the offer would be considered at a stopwork meeting.

The restructuring of the Fire Service was bought to a halt again when the Employment Court issued an interim injunction forbidding the Fire Service from proceeding with its restructuring plans. The Professional Firefighters Union had sought the injunction on the grounds that the Fire Service had failed to adequately consult the union about the restructuring plans. This was the second time that the union had successfully obtained an injunction preventing the Fire Service from restructuring (see October 1998 *Chronicle*). The Fire Service argued that it was legally able to proceed with its restructuring programme because the union had not taken the chance to engage in consultations about the restructuring after the previous injunction had been issued in October 1998. However,

Chief Judge Goddard rejected this argument. He stated that the Fire Service's current restructuring plan differed from the one that had been the subject of the 1998 injunction application and, for this reason, the Fire Service was required to consult.

Nick Smith became the new Minister of Education. After his appointment, Mr Smith said that pay negotiations with the Post Primary Teachers Association (PPTA) and the recruitment of secondary teachers were key issues which he would be focusing upon. PPTA president Graeme Macann said that Mr Smith's appointment provided an opportunity to build a more constructive relationship between the PPTA and the Government and to settle the protracted dispute over the secondary teachers' collective contract. Mr Macann added that there was not a huge gap between the Government and the PPTA over pay (see October 1998 *Chronicle*). A main issue which needed to be resolved was the Government's insistence on a provision in the contract that would enable bulk-funded schools to opt out of the collective contract and negotiate local agreements.

Figures released by the Education Ministry showed that the number of fully bulk-funded schools had risen to 717. The figures revealed that nearly 27 percent of schools, accounting for 36 percent of pupils and teachers, had opted for bulk-funding of teachers' salaries.

The debate over the Alliance Party's paid parental leave bill continued (see September 1998 *Chronicle*). The *NZ Herald* reported that during a select committee hearing on the bill, the NZ Employers Federation argued that the bill should not proceed because employers should not have to pay for a responsibility that was not theirs. The Federation said that it was not opposed to paid parental leave, but it was of the view that it should be funded through the welfare system and not through a levy placed on employers.

The Minister of Justice, Tony Ryall, called for police district commanders to be made directly accountable for crime rates in their areas, in the same way as precinct commanders were in New York. Mr Ryall added that he was not suggesting that district commanders should, like their New York counterparts, be sacked for failing to reduce crime rates. Nevertheless, he expected that the new contracts for the commanders would move gradually towards the New York model. The president of the Police Managers Guild, John Reilly, said that district commanders were already doing their best to cut crime.

The Minister of Police, Clem Simich, promised that an extra 234 police would be employed in the greater Auckland area in 1999. He said that 116 police college graduates would arrive in the area in June and that a further 118 would commence work in the following three months. The promise came two days after the mayors of the North Shore, Waitakere and Rodney had mounted a campaign for more police in Auckland.

Figures released by Statistics NZ showed that the official unemployment rate was the worst since September 1994. Unemployment rose to 7.7 percent in the December quarter, up from 6.8 percent a year earlier. Statistics NZ found that an additional 18,000 people became unemployed in the past year, taking the total number of unemployed to 144,000.

Work and Income NZ revealed that 190 people had had their benefits cut in the first two months after the introduction of the community wage in 1998 (see September 1998 *Chronicle*). The figures showed that 156 people had their benefits cut because they had failed to attend training seminars, not completed work plans, neglected to turn up to appointments or, in one instance, turned down an offer of employment. Thirty-four other people were penalised for matters relating to their community work.

In December 1998, salary and wage rates, excluding overtime, showed the lowest quarterly rise since June 1996. Figures from Statistics NZ revealed that salary and ordinary time wages rose 0.3 percent in the December quarter, compared with a 0.5 percent rise in the previous quarter.

Employees at Sealord Group in Nelson were told that about 80 jobs were likely to be lost as a result of a plan to contract out its wharf operations. The Historic Places Trust announced that some of its employees would be likely to lose their jobs as a result of its budget being cut by the Government.

A former parking warden successfully brought a defamation action in the High Court against her former employer, the Auckland City Council. She alleged that she had been defamed by a council memo which suggested that she had been guilty of unlawful conduct. The jury upheld her allegation and awarded her \$100,000 in damages.

In another case, Nestlé was fined \$6,000 in the Labour Department's first Occupational Overuse Syndrome (OOS) prosecution. The Pukekohe District Court heard evidence that the worker affected by OOS had been required to work at a lozenge grading table with her arms fully extended to pick out and process the lozenges. It was also alleged that the worker had not been rotated to other work during her shift. Nestlé pleaded guilty to the charge that it had failed to provide the worker with a safe workplace under the Health and Safety in Employment Act.

The health and safety officer at the Engineering, Printing and Manufacturing Union, Hazel Armstrong, expressed concern about the low number of employer prosecutions for workplace deaths brought by the Occupational Health and Safety (OSH) Service of the Department of Labour. She told a health and safety conference at The University of Auckland that the OSH Service had only prosecuted 14 percent of 42 workplace fatalities in 1996 and she believed that eight more cases in 1996 should have been taken to court. She also identified five more cases where OSH investigations did not provide enough information. However, a spokeswoman for OSH disputed the figures. She said that OSH took prosecutions on 20 percent of the 53 worker deaths (including self-employed farmers not included in the union's figures) in 1996.

The controversy over the performance of the OSH Service was exacerbated by the deaths of three Auckland sewerage workers. They died when they were overcome by fumes while flushing out a sewer in downtown Auckland. According to the *Dominion*, the Leader of NZ First, Winston Peters said that it was disturbing that the deaths had occurred shortly

after Hazel Armstrong's expression of concern about the performance of the OSH Service. He called for a review of the Service and added that it was critical that occupational safety and health received adequate funding and resources so that similar tragedies could be prevented from occurring in the future.

The Independent reported that a study, conducted by a health and safety specialist from The University of Auckland, Felicity Lamm, showed that most Australasian small business people had not formalised workplace health and safety practices because they were too busy keeping their businesses afloat. The study found that many of these business people did not see health and safety plans as part of their core business and they regarded compliance costs under OSH legislation to be an impediment to their ability to expand their companies. Wellington Chamber of Commerce Chief Executive, Claire Johnstone, said that anecdotal evidence from her organisation supported the findings of the study.

March 1999

The Fire Service managed again to attract considerable media attention. It appeared that the long employer-employee stand-off was at an end when the Fire Service's Chief Executive, Jean Martin, and the Professional Firefighters Union agreed on a pay settlement. The agreement would reduce paid firefighter positions by about 100, standardise the employment contracts of all firefighters and, for the first time in eight years, include a minor across-the-board pay increase. However, the agreement was blocked by the Fire Service's Chief Commissioner, Roger Estall, who sought changes to the agreement.

It was also reported that there were internal clashes in the Fire Service over the plans to move from four- to three-person crews. The Fire Service restructuring had cost nearly \$500,000 in legal and consultancy fees, according to the *Dominion*. Finally, senior ministers started openly to put pressure on the Fire Service Commission to end the internal conflicts between executive managers and the Commission.

A survey of teachers by the Ministry of Education found a significant imbalance in terms of gender, age and ethnicity. The survey, conducted by the National Research Bureau in 1998, had a 92 percent response rate. It found that more than two out of every three teachers were women, though in secondary schools "only" 55 percent of teachers were women. In Auckland, around 75 percent of primary school teachers were women. The age profile was also of concern with 37 percent of teachers aged from 40 to 49 years. A large group of teachers (31 percent) began their teaching career in the 1970s. While the proportion of Maori teachers had increased in the 1990s the ethnic diversity of students was not mirrored amongst the teachers: Maori accounted for eight percent, Pacific Islanders for two percent and Asians for two percent of all teachers.

The secondary teachers' pay negotiations continued. After negotiating since October 1997, a government pay offer of \$112 million for a three-year collective employment contract

was finally tabled, according to the *Dominion*. However, the pay offer was associated with demands for local agreements and performance based pay rises which were rejected by the PPTA, the Post Primary Teachers' Association.

The police restructuring grinded to a halt when a police officer lodged an injunction with the Employment Tribunal. The *Dominion* reported that the officer was not a member of the Police Association. The injunction would further delay the waiting time before senior police officers know about their future job situation.

Nurses staged a three-day strike action at Waikato Health as the employer rejected the demand of a one percent pay increase. A spokesperson from Waikato Health admitted that the strike itself would probably cost Waikato Health more than the demanded one percent pay rise. According to the Nurses Organisation, the strike cost Health Waikato more than three times the total amount sought by the nurses. The strike signalled a difficult negotiation round with several major two-year employment contracts having expired and with central pressure to restrain pay increases. The *NZ Herald* reported that a letter from the Crown Company Monitoring Unit recommended that pay rises should be matched by cost-savings and that ministers were keen to avoid extra health spending being used for pay rises.

Capital Coast Health support staff voted to start strike action after pay negotiations failed to reach an agreement but this prompted the employer to increase its contract offer. The new collective employment contract increased wages by \$10 per week, guaranteed consultation regarding changes to sickness and bereavement leave, and prevented contracting out of services before next February.

Contract negotiations at Television New Zealand broke down when the employer would not contemplate across-the-board pay rises. The negotiations covered journalists, technicians, producers and administrative staff whose latest collective employment contract had expired 18 months ago. The unions involved, the Engineering, Printing and Manufacturing Union and the Public Service Association, were seeking a 2.5 percent across-the-board pay rise while the employer offered individualised pay rises based on performance.

Around 800 Telecom technicians announced industrial action because of failure to renew their collective employment contract which expired in October 1998. The technicians, belonging to the Engineering, Printing and Manufacturing Union, were offered individual employment contracts by Telecom's subsidiary ConneCTel.

According to media news, the Government was contemplating the introduction of some kind of paid parental leave in order to pre-empt the Bill by the Alliance Party of 12 weeks paid parental leave, currently being considered by Parliament's Social Services Select Committee (see September 1998 *Chronicle*). The Government would fund the paid parental leave through taxation where the Alliance Party's Bill would be funded by a levy on employers.

The Dairy Workers Union started its wage bargaining by recommending to its 6,000 members that they should forego a wage rise in this year's bargaining round. The union's recommendation was prompted by the industry's difficulties and it will seek other benefits such as parental leave. In the 1990-91 dairy season, the union members also forwent a pay rise.

The stand-off at Formica's Papakura factory over fingerprint clock-in continued. The workers' union, the Engineering, Printing and Manufacturing Union, wanted to discuss the issue with the Privacy Commissioner before proceeding on the matter. Tip Top Ice Cream had had a similar fingerscan system at its Mt Wellington factory for more than a year, according to the *NZ Herald*.

The Privacy Commissioner, Bruce Slane, was launching an investigation into pre-employment forms as they appeared to be too invasive with questions about criminal and medical records. In one case, employees had to provide complete medical records, according to the *NZ Herald*. As the Privacy Act restricts employers to gathering relevant information only, the information requested had to relate to the employment situation. Union officials maintained that job seekers would not get the job if they refused to provide the information.

Inland Revenue staff staged protest actions against the department's restructuring plan which was expected to lead to the loss of over 600 jobs from July onwards.

The last of the 160 staff left at ECNZ prepared to leave in the wake of the Government's electricity reforms. While the ECNZ had 571 staff left (of its original 3000 strong labour force), 400 staff would be employed by the new state-owned power companies. However, many management staff were expected to move overseas.

An analysis by the New Zealand Institute of Economic Research found that employees' share of the national income had fallen significantly under the last fifteen years of economic reforms. Employee compensation, as a percentage of Gross Domestic Product (GDP), fell from 50 percent in the mid-1980s to 44 percent in 1995.

Fletcher Challenge Steel Makers was fined \$35,000 under the Health and Safety in Employment Act when machinery at its Mangere factory crushed a worker. While this is the largest fine for a fatal accident so far under the Act, it was still too low according to the Trade Union Federation.

Restructuring at Health Benefit Ltd, owned by the Government Health Funding Authority, will cost 170 jobs. The four processing centres of Health Benefit Ltd will be amalgamated into a single site in Wellington with staff losses in Auckland, Wanganui and Christchurch.

The shortage of funding for science education at secondary and tertiary level has prompted the German-owned chemical and pharmaceutical company Bayer New Zealand to provide more than \$87,000 in science sponsorships for 11 secondary schools in 1999.

In an article in *The Independent*, the General Manager of the Department of Labour's Occupational Safety and Health Service, Bob Hill, refuted claims of incompetence and lack of prosecution in connection with workplace fatalities. Mr Hill argued that the statistics used under-represented the number of prosecutions and that sometimes either the fatalities were not covered by the Health and Safety in Employment Act or the employer had not breached the Act.

A telephone survey published in the *National Business Review* showed that only a third of respondents supported the Employment Contracts Act, despite 58 percent saying that the Act made no difference to them. While 34 percent approved of the Act, 44 percent disapproved. Amongst low paid, a majority disapproved of the Act and they also thought the Act was bad for both themselves and the economy.

April 1999

The changes to accident compensation coverage from July onwards got a lot of media coverage. This mainly tried to explain the changes to employers and self-employed. Media reports also stressed that few employers had shifted to private insurers so far. Employers may have adopted a "wait-&-see" approach in light of the Labour Party's promise to scrap the privatisation if it wins this year's election.

The department store Farmers Trading Company locked out 55 employees at its Farmers Home Centres after the employees refused to sign a new employment contract. The new contract diluted the commission scheme and opened for work on public holidays. Farmers had negotiated with the workers' union, the National Distribution Union, for nearly two years and two-thirds of the affected workers had signed the new contract.

The controversy surrounding the Fire Service continued with a damning Audit Office report of the financial management of the Service. The report found a deterioration in financial management since Roger Estell became Fire Service Commission Chairman in 1997. On the other hand, the public disagreement over organisational strategy between Mr Estell and the Fire Service Chief Executive, Jean Martin, was apparently overcome. Although it was still unclear whether the agreement reached last month with the Professional Firefighters Union would be implemented by the Fire Service.

The Labour Party leader, Helen Clark, promised that its industrial relations policy would be in line with the Conventions of the International Labour Organisation, according to the *Dominion*. This would include abolishing the restrictions on multi-employer bargaining established by the Employment Contracts Act, but it would not include a return to compulsory union membership.

Easter brought the usual breaches of the Shop Trading Hours Act by garden centres. Several garden centres were found by the Labour Inspectorate to be defying trading restrictions and they could be expected to be prosecuted, according to a Labour Department spokesperson, Mike Feely.

Local government politicians' pay rises should be established by an independent body similar to the Higher Salaries Commission, according to the local government spokesperson, Mike Reid. Salaries in the sector had fallen relatively since the 1989 local government reform, according to local government figures. While local government politicians had a seven percent pay increase since 1989, Members of Parliament obtained a 22 percent pay increase and Cabinet Ministers a 15 percent rise.

One-hour pickets were staged by IRD staff in protest against the department's restructuring plan.

The Police Association met with Police management to overcome an anomaly in the pay system whereby experienced police officers were paid the same as newly recruited staff (see October 1998 *Chronicle*).

A male secretary won \$3,500 compensation when the Human Rights Commission upheld his complaint against an employer that openly preferred a female secretary.

NZ Post's plans to set up a chain of book and post office stores prompted a series of stop-work meetings by post workers. The post workers' union, the Engineering, Printing and Manufacturing union, regarded the stores as privatisation by the backdoor which would imply lower wages and reduced employment conditions. The stores would be a joint venture with the Blue Star Group and would be called *Books and More*.

The Waterfront Workers Union asked the Serious Fraud Office to investigate the liquidation process of New Zealand Stevedoring and its subsidiaries in February 1988. The companies owed more than \$14 million in redundancy and long service pay to its workers (see February 1998 *Chronicle*) and no money had been paid so far. Both the Minister of Commerce, Max Bradford and the Labour Party promised a review of insolvency laws.

The debate over workplace safety and health continued when the *Dominion* reported that the Chief Executive of Royal and Sun Alliance, Bob Mendelsohn called the New Zealand workplace accident record "almost a Third World accident rate". The fatality rate in the construction industry was the highest in the Western world.

Efforts to reduce injury rates amongst shearing contractors through greater injury and fitness awareness had a dramatic impact on accident compensation claims with injury claims dropping from \$700,000 in 1994 to \$400,000 in 1998. Long term injury claims were cut from \$3 million to \$1.2 million in the same period.

A High Court decision blocked a restructuring plan by Waikato University's Vice-Chancellor. According to the *NZ Herald*, it was ruled "that Vice-Chancellor Bryan Gould had no power to act unilaterally to reduce the university's seven schools to four super-faculties in a money-saving revamp". This was despite the fact that, subsequent to the Vice-Chancellor's decision, the university council had agreed to the restructuring plan.

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