

New Zealand workers face deepening assault on jobs and conditions

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Over the past two months, workers in New Zealand have faced an intensifying barrage of attacks on their jobs, wages, and working conditions. Telecommunications workers, bus drivers, dairy processing workers and concrete workers have been involved in bitter disputes stemming from employer-initiated lockouts and sackings. This assault is part of a far-reaching restructuring taking place internationally as big business and governments seek to shift the burdens of the global economic crisis onto working people.

The longest-running and most significant of the disputes in New Zealand involves over 700 telecommunications engineers in the Auckland and Northland regions. Telecom NZ, the country's dominant telecommunications provider and the largest company by value on the stock exchange, announced in June that it was ending its existing network engineering arrangement and offering a 10-year, billion-dollar contract to Visionstream.

As a result, engineers, who were employed by Telecom NZ subsidiaries Transfield Services and Downer EDi, faced becoming dependent owner-operators or losing their jobs. Telecom did not offer redundancy to engineers who refused to transfer to Visionstream. According to the Engineering, Printing and Manufacturing Union (EPMU), the technicians, who currently earn around \$NZ45,000 (\$US33,600) a year, would be forced to spend up to \$60,000 to buy their own vehicles and equipment and set up limited liability companies. They would lose their job security, face additional financial risks and be forced to pay their own insurance and vehicle costs. A union-commissioned report estimated that their incomes would fall by between 50 and 66 percent.

The workers overwhelmingly voted to reject the plan at the beginning of July, but the union limited any action to isolated protests designed to let off steam. Following the vote, 300 workers drove their vans in a convoy through Auckland and protested outside Telecom's corporate headquarters. A series of one and two-day strikes took place in July and August, accompanied by rallies and protests in Auckland and other centres. On August 24, when the engineers struck for 24 hours and rallied outside Telecom buildings in Auckland and Wellington, they were joined by Maritime Union members, who voted \$10,000 for the strikers.

The Telecom engineers imposed an indefinite work ban from August 21 on Telecom's broadband Internet network in Auckland and Northland. A few days later 100 engineers walked out in the Northland region. In the first week of September, in a calculated move to break the strike, Telecom began transferring work to Visionstream a month before the new contract was due to start. Visionstream claimed it had already recruited enough engineers as owner-operators to install and repair phone and broadband connections in Auckland, Northland and Waitakere.

Transfield and Downer EDI then announced they would begin shedding jobs earlier than anticipated. The engineers were given less than a week to sign-up as owner-operator contractors or lose their jobs. By the end of September, 300 engineers had been made redundant after refusing to agree to the new arrangements. On October 1, the date for the official changeover to Visionstream, more than 150 engineers rallied outside Telecom's annual shareholder meeting in Auckland.

EPMU national secretary Andrew Little, who is also Labour Party president, criticised the company not over the jobs losses and savaging of pay and conditions, but its failure to deal to provide efficient services. The union quickly entered new negotiations over "alternative options" that may include shelving the subcontracting model. While EPMU is saying little about the state of talks, one thing is certain: any alternative will be on the company's terms and involve severe reductions in pay and conditions—all policed by the union.

Over 300 workers have now lost their jobs and the remainder have been reduced to individual operators at the mercy of the Telecom NZ and Visionstream. The EPMU, which is New Zealand's largest private sector union with 45,000 members, deliberately left the engineers isolated, so they could be worn down and defeated. Far from challenging the country's draconian anti-strike laws, the union used the legislation to justify their own refusal to mount any industrial action or political campaign against the company and the National Party government of Prime Minister John Key.

The union's betrayal of Telecom workers is a graphic example of the way in which the unions function as an arm of employers and government in suppressing any independent struggle by workers. Over the past two months, there have been a series of lockouts, strikes and protests by different sections of workers, indicating a growing resistance to the escalating assault on living standards. Within the straitjacket of the trade unions, however, these struggles are either heading for or have ended in disaster.

Around 40 workers employed by Open Country Dairy Limited were locked out last month at the Waharoa Open Country Cheese factory in Waikato after they took industrial action for a new work agreement. The union—the NZ Dairy Workers Union—has not mobilised any of its 7,000 members to support the Waikato workers, but has entered into mediated talks with the company. The lockout is ongoing, despite the Employment Court ruling it illegal.

Bridgeman Concrete in Manukau City last month locked out its workforce, insisting that workers had to agree to a wage freeze and no changes to the existing collective agreement for two years. The National Distribution Union took no action to support its members, but instead

stepped in to reach an agreement with the company, brokered by government mediators. No details have been released.

Many of the other strikes and protests have involved disputes over pay and new work agreements. Unlike the drastic lockouts carried out by employers, the unions have limited action to protests and one-day strikes. These have included:

- * Auckland firefighters picketted the opening ceremony of the new Mt. Roskill fire station on September 11 to protest against a zero percent pay offer from the Fire Service.

- * Around 950 teaching staff at six institutes of technology struck for 24 hours on September 16 over stalled agreement negotiations.

- * Around 2,000 contract cleaners working in schools, shopping malls and commercial buildings held nationwide protests on September 23 over poverty level wages.

- * A series of strikes and protests took place last month at Foodstuffs supermarkets and a distribution centre in Christchurch and Dunedin over low pay.

- * In an ongoing dispute, 900 drivers and cleaners employed by the NZ Bus in Auckland stopped work this month and rejected the company's latest pay offer. Last week they were locked out for six consecutive days after starting a work-to-rule campaign. The Auckland Combined Unions have offered to end the campaign if employers return to talks.

- * More than 2,700 ancillary workers at 35 public hospitals across the country are due to hold a day of action today to protest against a government-imposed public sector pay freeze. On October 5, 70 parliamentary staff walked off the job over the pay freeze.

Other protests have taken place against the government's savaging of essential services. In late August, staff, students and supporters rallied at Victoria University of Wellington to protest the university's plan to cut its Social Science Research program and make its full-time academic staff redundant. On September 12, hundreds of teachers and their supporters held street rallies in Auckland, Wellington, Christchurch and several provincial centres to protest against planned cuts to community education announced in the July budget.

The unions have been entirely complicit in this offensive against the social position of the working class. Their close collaboration with the Labour government's anti-working class policies has continued under the conservative National government that came to power late last year. A dozen top union officials participated in the government's "Jobs Summit" in February and signed up to a shorter working week scheme that fraudulently purported to defend jobs by sacrificing pay and conditions. The unions have been the principal enforcers for a series of plant closures and thousands of redundancies while promoting a program of "productivity" agreements to increase the exploitation of working people.

In revealing comments in the business pages of the *Dominion Post* on October 12, Council of Trade Unions (CTU) president Helen Kelly proudly referred to the "willingness on the part of workers, unions and employers to work together to mitigate the worst effects of the recession". She went on to warn her business readers that the shift to "bully boy tactics"—like lock-outs—threatened to turn this arrangement "sour" and appealed for a return to a "co-operative" approach.

The "willing workers", of course, never had any say in this cosy relationship between unions and employers. What Kelly is warning the corporate elite is that savage, direct attacks on the working class will generate intense opposition that the trade unions will have difficulty suppressing. This does not indicate any change of course by the unions. As the assault by big business and government deepens, the unions will only redouble their efforts in preventing any independent struggle by workers.

As for the Labour Party, it is directly responsible for the devastating inroads that have already been made into the social position of the working class. In the case of Telecom, the Lange Labour government established what was a Post Office division as a separate company in 1987 as part of its sweeping public sector "corporatisation". This paved the way for its privatisation in 1990. Once in private hands, Telecom used its dominant market position to establish a rapacious monopoly, making huge profits while under-investing in maintenance and technical improvements.

Labour's industrial legislation, enacted in 2000 with the support of its coalition partner the Alliance, is still the basis for severe legal restrictions on strike action. Under the law, which has been retained by the Nationals, it is illegal for workers to strike except in relation to contract negotiations and health and safety matters. Secondary or "support" strikes and boycotts are banned. Far from opposing the legislation, the unions use its draconian provisions to bully and intimidate workers.

Workers need to draw the necessary lessons. Any genuine fight to defend jobs and living standards will necessitate a struggle not only against employers but the government and above all the Labour and trade union bureaucracy. The response of big business and the government, with the assistance of the unions, to the present global economic crisis is an attempt to impose new burdens on working people. To resist this onslaught involves a political fight—one that must be based on refashioning society on socialist lines, that is to meet the pressing social needs of the vast majority, rather than the profits of the wealthy few.



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