

# New Zealand workers protest new industrial laws

**Tom Peters****2 November 2010**

Thousands of workers across New Zealand stopped work for two hours on October 20 to protest against the conservative National Party government's draconian new labour laws. The Council of Trade Unions (CTU) estimates that 22,000 people attended its "Fairness at Work" rallies in 28 towns and cities, making it the country's largest industrial protest in over a decade. Those taking part included nurses, cleaners, teachers, postal workers, tertiary education staff and other low-paid workers.

About 7,000 people gathered in Auckland and around 3,000 protested in front of the parliament building in Wellington—a significant increase compared with a previous "day of action" in August, that attracted about 1,500 people in Wellington and fewer than 1,000 in Auckland.

Hundreds attended rallies in Hamilton, Rotorua and Dunedin, but the unions refused to organise any action in Christchurch, the country's second largest city, on the pretext that it would disturb the recovery from the destructive September 4 earthquake.

Under the legislation, due to be passed by parliament before the end of the year, all newly hired workers face a 90-day "trial period" during which they can be sacked for no reason and without recourse. The measure was imposed in March last year for workplaces with fewer than 20 workers but will now cover every worksite. Extending the provision means it could apply to more than 400,000 workers who start new jobs every year.

The legislation also empowers employers to demand sick notes from workers after a single day off work, and

allows workers to "sell" a week of their annual leave during wage negotiations. The provision most concerning the union bureaucracy, however, gives employers the right to refuse union representatives entry to worksites.

Prime Minister John Key contemptuously dismissed opposition to the new laws. Speaking to Radio New Zealand, he claimed that increased "flexibility in our labour markets" under the 90-day trial period would "create more job opportunities for New Zealanders". In fact, Labour Department figures show that 22 percent of workers recruited under the law's initial phase had been dismissed within the 90-day period. The government has done nothing to provide jobs for those laid off in the recession, and the unemployment rate has risen to 6.8 percent from a low of 3.5 percent at the end of 2007.

The new laws will create a layer of disposable, low-paid workers, who will be used to undermine the wages and conditions of every worker in order to boost the profitability and global competitiveness of New Zealand businesses.

The turnout at last week's day of action demonstrated the growing hostility among ordinary workers toward the government's moves to make them pay for the global economic crisis. Workers are being hit hard by a program of austerity that includes cuts to healthcare and education, attacks on welfare beneficiaries and an increase in the regressive Goods and Services Tax (GST). Secondary school teachers, medical laboratory workers and radiographers are engaged in industrial action against an effective wage freeze in the public sector.

The unions, however, have no intention of organising a political and industrial campaign against the government. Since the onset of the recession, the unions have worked closely with state and private employers to extract concessions from workers, including job cuts, wage freezes and shorter working weeks. The CTU's main concern with the legislative changes is not the plight of workers but the new restrictions on union access to workplaces. CTU president Helen Kelly has repeatedly appealed to the government to restore close working relations with the unions, citing their record of service to big business by keeping a tight lid on industrial action.

Union leaders used the protest rallies to promote the illusion that the government could be pressured to "withdraw" the new laws, and to divert workers' anger into support for the opposition Labour Party and the Greens in next year's scheduled elections. Service and Food Workers Union regional secretary Jill Ovens declared at the Auckland rally: "What are we going to do about this after today? We have our chance to get rid of this government next year." Engineering, Printing and Manufacturing Union secretary Andrew Little, who is also president of the Labour Party, told protesters that the legislation would be "an election issue in 2011 if the Government doesn't back down".

Labour Party leaders have postured as opponents of the law changes, with spokesman Trevor Mallard describing the National government as "committed to looking after its wealthy mates, but unconcerned about low and middle-income Kiwis". Notwithstanding such demagogic, Labour fully agrees that workers must be made to pay for the economic crisis. The party has accepted the government's increase in the consumption tax from 12.5 to 15 percent. Labour finance spokesman David Cunliffe told TVNZ in September that if elected the party would not try to "buy popularity by spending taxpayers' money" and its "tax and spending policy ... [would] be fiscally responsible".

By calling for a vote for Labour, the unions are seeking to prevent any independent movement of the working class against the austerity policies that are being demanded by the ruling elite.

The CTU has not set dates for any future protests or industrial action. Speaking to the *Dominion Post* on October 20, CTU secretary Peter Conway made clear that the unions would not countenance any mass strikes against the government, such as those taking place in France. He said the CTU would avoid any industrial action that violated the Employment Relations Act (ERA) because damages for unlawful strikes were "pretty forbidding". The ERA, passed by the previous Labour government in 2000 with the CTU's support, bans all industrial action except in relation to contract negotiations and health and safety matters.



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