

# New Zealand meat workers, wharfies locked out

**John Braddock**  
**24 December 2011**

In two separate industrial disputes in New Zealand, 110 meat workers at the CMP Rangitikei lamb and sheep plant and 327 waterside workers at the Ports of Auckland have been locked out. The companies involved are seeking to impose cuts to wages and conditions to ensure they remain “internationally competitive” as the global economic crisis deepens.

The lockouts are in line with a wave of similar assaults in basic industry in other countries, including Australia. The offensive signals a sharp shift by the New Zealand business and political elite following the November general election, which returned the right-wing coalition government led by the National Party.

Employers are making use of anti-working class provisions within the Employment Relations Act, which was drawn up by the trade union bureaucracy and enacted in 1999 by a Labour Party-led coalition government. The legislation legalises a lockout as long as a collective employment agreement remains unsettled, while so-called “secondary” stoppages, or strikes by workers not covered by the contract, are outlawed.

The city council-owned Ports of Auckland imposed a two-day lockout on December 2 in response to a 24-hour strike by the Maritime Union. It was the first waterfront lockout since a 151-day dispute in 1951. According to the *Sunday Star Times* on December 18, CEO Tony Gibson is determined to push through a “cultural change” on the waterfront. The company is demanding a new “flexible labour model” that dispenses with existing work patterns. Gibson claims a 20 percent productivity increase is necessary to compete with the nearby Port of Tauranga. Gibson told the workers: “If you don’t change with us we’ll change anyway.”

Meanwhile, CMP Rangitikei meat workers on Friday accepted a contract deal, after being locked out of the central North Island plant since October 19 and facing extreme hardship through the Christmas season. The lockout was imposed after collective agreement negotiations collapsed. The company demanded pay cuts of between 20 and 30 percent and the elimination of the 35-hour week.

CMP management said the measures were needed to make the plant, which has reportedly lost \$60 million since opening in 2005, more “competitive”. The company, which owns four other plants, is part of the multinational ANZCO foods group, which boasted sales of \$NZ1.2 billion last year and is the country’s fifth-ranked food exporter. Itoham, the major shareholder in CMP, is one of the biggest food companies in the world.

CMP is maintaining production at the plant with 200 workers on individual contracts. The Meat Workers Union (MWU) and Council of Trade Unions (CTU) have ensured the locked-out workers remain isolated while indicating their willingness to collaborate in imposing drastic cuts to pay and conditions. At the outset, MWU head Roger Middlemass said the union would agree to lower wage rates and changed shift structures, but called for pay cuts across the board, including for management. “If it is good enough for us, it is good enough for the employer”, Middlemass said. These comments are nothing but empty demagoguery designed to cover up the union’s public acceptance of wage cuts of 10 percent.

Before widespread restructuring and plant closures swept through the industry in the 1980s, meat workers were among the most highly paid in the country. Now, the workers cannot afford the cuts the company is demanding. They currently earn between \$43,000 and \$46,000 a year.

Taking 20-30 percent off could mean a \$15,000 loss, leaving them on wages as low as \$15-\$17 per hour.

Broad public support for the meat workers has been channelled by the CTU into a month-long series of diversions and futile stunts. These have included demonstrations outside McDonald's fast food outlets—for which CMP is a major supplier. According to CTU president Helen Kelly, the protests were to persuade the company to exercise “corporate social responsibility” and put pressure on ANZCO-CMP in negotiations. The CTU also arranged for Britain's Unite Union to picket supermarket chain Waitrose, which buys meat from the Rangitikei plant.

During the course of the two-month lockout, the workers have unanimously rejected several company offers. The unions arranged to meet the company last week in a “facilitation” process under the Employment Relations Act in a last-ditch attempt to seal a deal before Christmas. The union reached an agreement with the company that workers voted to accept yesterday.

No details have been released, but according to the MUW “some pay cuts have been agreed”. These had been “reduced to a level that the workers were prepared to accept”. The no-cost conditions that the company sought to also remove had been put back in the new agreement and the workers will receive a \$500 payment on return to work.

Having isolated and ground-down the locked-out workers, the union finally persuaded them they had no option but to accept a sell-out contract that enshrines a reduction in wages. Summing up the union's attitude from the beginning, MUW national secretary Dave Eastlake said: “We did not go into this dispute expecting to stop all the cuts”.

The *World Socialist Web Site* spoke to some of the locked out meat workers at a rally in Palmerston North last Saturday.

Jay, who has worked in the meat industry in Australia and New Zealand for 30 years, said the lockout was a “test case” for the entire industry. He said it was the workers' first real experience with a multinational company, whose management had proven to be “power-tripping and arrogant”. They “had come with a worked-

out plan” which, if it succeeded, would “send a virus through the meat plants and into other industries”.

Jay said the workers stood to lose \$400 or more per fortnight, plus overtime rights. “I'll be working an extra two days or even 20 hours more every two weeks, and still earning less,” he explained. Asked about the union's position on accepting a 10 percent pay cut, Jay said that he “couldn't remember any meeting where this was voted on”. He said that many workers, including him, did not want any wage cut. Jay was critical of the MWU's failure to organise support from the other CMP plants, saying “they should have been here since day one”.

Jay believed that “the company would like to get rid of us”, and replace the locked out workers with inexperienced staff, “all on individual contracts”, and subjected to the National government's 90-day law, which provides for new hires to be sacked for no reason within the first three months of employment.

Another worker, Thomas, also criticised the “dictatorial” way the company had issued its demands and expected workers to accept them. CMP had come in with a “hard bottom line”. The pay cuts, he said, would “set up a precedent—the ‘average’ pay rate everywhere will have been lowered”.

Kathy said she was particularly angry about “the way they told us they would lock us out”. The company immediately began ringing workers at home, pressuring them to sign individual contracts. There was “no way I'd cross the picket”, Kathy said. Asked about the hardship the workers were facing, Kathy said that it was a particularly difficult struggle for those workers without partners or where both partners were affected by the lockout. Many had large families to support. There had been “lots of support from ordinary people”. There was, she said, a lot of awareness that if CMP succeeded “other workplaces will go as well—it's not just the meatworks”.



To contact the WSWS and the  
Socialist Equality Party visit:

**[wsws.org/contact](http://wsws.org/contact)**