

New Zealand Labour-led government prepares attacks on working class

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New Zealand's Labour-NZ First-Green Party government has taken office this month amid heightening anxiety within the ruling elite over growing anti-capitalist sentiment and sympathy for socialist ideas among sections of the population.

Labour Prime Minister Jacinda Ardern and NZ First leader Winston Peters, an anti-immigrant populist, both declared after the election that capitalism had “failed” and new measures were needed to revive its “human face.” In fact, the Labour-led coalition is a capitalist government that will accelerate the assault on living standards at home, and prepare for imperialist wars abroad.

Moves are already under way to strengthen the powers of the state and role of the unions to police the working class and suppress emerging resistance by the working class to the deepening social austerity measures.

In her first major appearance as prime minister-designate, Ardern told a NZ Council of Trade Unions (CTU) conference on October 25 that while she would introduce a series of “union friendly” policies, such as restoration of tea breaks and raising the minimum wage, “working together with business” would be “key” to her government’s operations.

Ardern praised Air NZ, declaring that “when business and workers join together, we can achieve great things.” When the company was losing money and looking to cut jobs, she said, the “high engagement cooperation between workers and employers,” saved the company and “the future of the business was transformed.”

Ardern failed to mention the destruction of 180 jobs in 2013 when Air NZ’s Auckland engineering base was moth-balled, and the closure of seven regional flight networks from 2014–16 saving \$1 million a month. The

cuts followed job losses at the Christchurch Engine Centre, Safe Air and in technical operations. Another 60 staff were axed in 2015 when the airline moved its heavy maintenance operations to Singapore. The sackings and closures were imposed with the collaboration of the then Engineering, Printing and Manufacturing Union (EPMU), now part of E Tu.

As a result of decades of collaboration between the unions, the state and corporations to slash jobs and conditions, workers have largely abandoned these discredited organisations. Less than one in five workers is a union member, mainly concentrated in the state sector.

This historic collapse raises the prospect that class struggles will erupt outside the control of the unions. For this reason, Labour is promising measures to bolster their position. This includes restoration of the right of union access to workplaces, removing the ability of employers to deduct pay for work-to-rule and “low-level” protest actions and restoring the right of workers to initiate collective bargaining under the wing of the unions.

Labour will introduce industry-wide Fair Pay Agreements (FPAs), agreed by businesses within an entire industry and the unions. FPAs will set basic standards for pay and employment conditions, according to job type and experience, including for non-union members. Ardern claimed this would be done “by government, businesses, and unions, sitting around the table together.”

In other words, the unions through the FPAs will act as an arm of corporate management to tie the working class even more closely to the state.

Extensive anti-working class prohibitions on strikes within the Employment Relations Act, introduced by Labour in 2000 and maintained by the subsequent

National government, will remain in force. This repressive legislation bans almost all strikes except during contract bargaining and over health and safety, while outlawing “political” or secondary strikes.

These proscriptions will now be expanded. Asked during the first election leaders’ debate whether the FPAs would see the return of “1970s-style” national strikes, Ardern emphatically declared: “No, we will not.”

Ardern later told Newstalk ZB: “Strikes will not be on the table when negotiating fair pay agreements. I am absolutely happy to rule that out.” Asked by Radio NZ’s Kathryn Ryan on September 21 how she would prevent industrial action around the FPAs, Ardern replied, “Easy, you legislate.”

Labour’s threat to almost completely outlaw strikes is supported by the union bureaucracy. CTU leader Richard Wagstaff told Fairfax Media on August 26 there was “zero prospect of industrial action” during the FPA negotiations.

To give this agenda a “progressive” veneer, Labour is promising certain measures that will be enacted through parliament. Paid Parental Leave is to be extended from 18 to 26 weeks, by 2020. Greens Minister for Women Julie Anne Genter has promised to close the gender pay gap in the public sector over four years by writing equal pay for women into the performance requirements of chief executives of government agencies.

Labour has promised to lift the minimum wage to \$20 an hour, from the current poverty level of \$15.75, but only by 2021. This miserly increase was hailed by the leader of the Unite union Mike Treen, as a “big win for workers.” In April, Unite lodged a pay claim for Restaurant Brands fast food workers for a paltry 10 cents an hour increase, intended to eventually rise to 30 cents above the legal minimum.

Oppressive measures enacted by the former National Party government remain, with minor modifications. The widely-hated 90-day “trial period” for new employees, which discriminates particularly against young workers, will be kept. The law’s “fire at will” provision, under which an employer can sack a new worker without reason, will be replaced with a new referee service which can hear claims of unjustified dismissal. Labour’s policy emphasises that it has “always supported trial periods for new employees.”

Labour has also promised to remove legislation that

prevents film and television workers bargaining collectively. Known as the “Hobbit law,” it was enacted by National in 2010, under pressure from Warner Brothers and producer Peter Jackson, to force workers employed on his Hobbit films to be employed as individual contractors.

Workplace relations minister Iain Lees-Galloway said last week Labour wanted “to sit down with industry players.” The government is likely to accommodate demands by Jackson’s company Weta Digital working on four upcoming *Avatar* sequels. “A lot of people have said they are really happy with the contracting arrangements. We are fine with that,” Lees-Galloway declared.

Further, Andrew Little, a former head of the EPMU, is now the minister responsible for overseeing the re-entry of the Pike River mine, which is currently sealed. The re-entry has been forced by a long-running campaign by family members of some of the 29 men who died in the mine’s 2010 explosion.

No-one has been held accountable for the disaster despite a 2012 Royal Commission finding that it was entirely preventable and that Pike River Coal had prioritised production over safety. The EPMU knew about safety breaches at the mine, which had prompted one walkout by workers, but failed to organise any action to ensure the mine was safe.

After the explosion, Little defended the company, telling the media there was “nothing unusual” about the mine and nothing that the union had been concerned about.

Meanwhile, the government is moving to strengthen the police in preparation to suppress working-class opposition to its big business agenda. Labour campaigned for 1,000 extra police but Ardern and Peters have since announced that police numbers will be boosted to 1,800 as part of the coalition deal. This is a 20 percent increase on the current level of 9,000 sworn officers, in a country with just 4.7 million people.



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