

# Growing strike movement in New Zealand

**Our reporters**  
**14 July 2018**

Rallies and marches were held around New Zealand on Monday afternoon by public servants from the Inland Revenue Department (IRD), and the Ministry of Business, Innovation and Employment (MBIE) to demand better pay and conditions.

Over 4,000 public servants walked off the job for two hours in the first cross-department action for many years. The limited strike was called by the Public Service Association (PSA) after workers voted for two stoppages. A second two-hour strike is scheduled for July 23.

The strike is part of a growing movement of the working class against more than a decade of austerity imposed by the entire political establishment and policed by the pro-capitalist trade unions. It preceded, by three days, the 24-hour nationwide strike by 29,000 nurses and health workers after they rejected a fourth sell-out deal recommended by the New Zealand Nurses Organisation.

Teachers are also preparing to strike after rejecting a pay offer of less than 3 percent. Bus drivers, rail workers and fast food workers have all taken industrial action in recent months. This is part of an international upsurge of the working class, including mass strikes by teachers in the United States, public sector workers and others across Europe, and transport workers in India and Brazil.

Monday's strike involved 1,300 workers in the capital Wellington, 1,000 in Auckland, and 500 in Christchurch, with workers in Whangarei, Hamilton, Tauranga, Dunedin, Palmerston North, Invercargill, Nelson and Timaru also taking action. In Auckland, 200 protesting workers gathered in the CBD before moving to Freyberg Place for a rally. In Wellington, 500 marched from Midland Park to IRD's headquarters, then to the MBIE offices.

Many were low-paid workers from the departments' call centres. One IRD worker told the WWSW she was

protesting because "a lot of my colleagues at the call centre, with the new proposal, are just getting a living wage. If you go to the supermarket, you can see the cost of everything has gone up." An ongoing restructure at the department was placing workers "under a lot of stress.... we feel that our employers are not listening to us."

Pay negotiations have been underway since late 2017. PSA secretary Glenn Barclay told Fairfax Media that while the details of the offers made to workers had not been made public, MBIE would claim it was offering a 3.2 percent increase. MBIE's last "offer," however, was that many employees should work longer hours for the same pay.

Barclay said changes to performance-based systems were "deeply dispiriting" for workers who were being given targets that many were struggling to meet. At MBIE, it can take 20 years to move to a pay rate that reflects that a worker is "fully competent."

According to the PSA, the union's pay claims are "modest." Both employers have said they do not have enough money to offer a decent pay rise. IRD, however, last year returned \$NZ29 million to the government, and has a forecast of 5 percent underspending for next year. MBIE spent \$77 million on consultants and contractors in the 2015–16 financial year.

Barclay said the IRD's pay offer did not take account of cost of living increases. Moreover, a major technology overhaul at IRD was "a mess," which was making life difficult for staff. Barclay criticised IRD for undertaking "job change and job loss before really embedding the technology change, before knowing how the change was going to pan out for people."

What Barclay failed to admit was that the PSA itself is deeply complicit in this entire operation. As many as 1,947 IRD workers are being made redundant, out of a total workforce of 5,647, by 2021 as part of a "Business

Transformation” project that aims to save up to \$7.65 billion.

From the start, the PSA announced that it agreed with the IRD restructure and pledged to implement it. In a statement in April 2016, the union promised it would collaborate with the IRD “at every step of the way” and praised management for being “proactive so far in communicating with us about the change process.” Having supported the cuts, the union has since restricted itself to minor criticisms of IRD’s “process.”

The PSA has for years been at the forefront of union-employer collaboration and is hostile to workers mobilising to defend jobs, conditions and living standards. Monday’s token two-hour strike was the first called at the IRD for 22 years.

PSA national secretary, Erin Polaczuk, laid bare the anti-working class perspective of the union bureaucracy in an interview with the *Listener* magazine in February. The 38-year-old declared she was lucky to have been born in the 1980s, because “I largely skipped that period” of strikes in the 1970s.

“We are smarter now,” Polaczuk said. “If we get into stupid oppositional behaviour, strikes are a last resort, but that is not how the PSA has worked. Maybe we are in the mature era and the feminisation of the union movement has changed things. We are not guys coming in and having a punch-up anymore.”

Speaking at the Wellington march, Barclay and New Zealand Council of Trade Unions (CTU) president Richard Wagstaff called on the employers to return to negotiations and “bargain in good faith.” They were invoking provisions in the Employment Relations Act (ERA), instituted by the former Helen Clark-led Labour government with the support of the CTU in 2000. The ERA set up a sophisticated legal mechanism intended to contain and suppress the struggles of the working class behind a façade of class collaboration and inclusiveness.

The “good faith” section of the ERA binds unions and employers to “use their best endeavours to enter into an arrangement, as soon as possible after the initiation of bargaining.” They must “respond to proposals made to each other,” and not seek to undermine the “authority” of the other party. Under these conditions, independent strike action by workers is, legally, virtually impossible.

Emphasising the corporatist line of the unions,

Wagstaff berated MBIE and IRD as “slow on the uptake” by being hostile to further negotiations. “They don’t seem to realise things have changed and they’re operating an antiquated employment relations approach,” he said. Wagstaff has recently been appointed to a government body to establish a new industrial relations regime that will impose even further draconian restrictions on the right to strike.

The PSA complains that the employers’ stance is not “in line” with the Labour-led government’s “expectation that public service employers should set an example and negotiate constructively with unions.” Like all the unions, it is furiously working to head off and limit the widening wave of strikes, impose sell-out deals, and above all, protect the government from a developing movement of the working class.

*The author also recommends:*

New Zealand nurses reject union-backed sellout, prepare nationwide strike

[10 July 2018]



To contact the WSWS and the Socialist Equality Party visit:

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