

New Zealand unions feign opposition to austerity

Tom Peters**24 October 2024**

On Wednesday, a few thousand people joined protest rallies and meetings in 12 towns and cities across New Zealand called by the Council of Trade Unions (CTU), ostensibly to “fight back” against the National Party-led coalition government’s austerity measures. The events were held in the lead-up to the October 28 Labour Day holiday, commemorating the achievement of the eight-hour working day.

The lunchtime demonstrations, which lasted about half an hour, attracted only a small proportion of the country’s union members. In Auckland, about 1,000 people gathered at Aotea Square. Roughly 3,000 people protested outside parliament in Wellington. A few hundred people joined events in Christchurch, Dunedin, Hamilton and other centres.

There is rising anger over the government’s sweeping attacks, including about 7,000 layoffs in the public sector, numerous factory closures and drastic funding cuts to public healthcare, disability care, social welfare and food banks. The official unemployment rate has jumped from 3.3 to 4.6 percent in the past two years, but the real rate is likely above 6 percent. The ruling elite is deliberately driving up unemployment in order to put downward pressure on wages and intensify the exploitation of the working class.

The CTU and its affiliates, however, are not mobilising workers in a real fight against the government. The latest rallies, like similar ones held on May Day, were an empty charade, aimed at stoking illusions in the opposition parties and covering up the role that the union bureaucracy is playing in enforcing mass layoffs and other attacks.

The Wellington protest began with a paean to the previous Labour Party-Greens coalition government, with CTU leader Richard Wagstaff saying that the unions “were making some progress” with “good

collective bargaining” before the October 2023 election. By contrast, he said, “the last 12 months has been an unrelenting attack on working people and on trade unions.”

In fact, Labour lost the 2023 election by a landslide because workers turned against the party amid increasing poverty, unemployment and a cost-of-living crisis. Labour, like the National Party, contested the election with promises to slash public spending and jobs.

Wagstaff lamented the National government’s decision to axe Labour’s so-called Fair Pay Agreements legislation. This would have boosted the role of the unions by establishing a corporatist wage-setting mechanism through which the union bureaucracy, the government and corporations would jointly set wages for entire industries. Strikes would have been outlawed during these negotiations.

Officials from different unions read out several vaguely-worded “demands” addressed to the government. These were put as motions to the crowd and passed without any opportunity for discussion.

The first called for “better paid, safer and more secure work” and more workers’ say in “how things are done at work.” A second demand was for “better investment in public and social infrastructure,” including health and education, without specifying any actual figure.

Another motion called for the \$23.15 an hour minimum wage to be raised to \$27.80 an hour, which the unions claim is a “living wage” that will allow workers “to live with dignity.” Even if it was implemented, this would still be a poverty-level wage, amid soaring costs for housing, fuel, food and other essentials.

The same motion advocated “tax reform so that

everyone pays their fair share,” without elaborating. The last Labour government refused to introduce a wealth tax, despite evidence that the country’s billionaires are effectively paying half the rate of tax paid by workers.

The unions also urged the government to stop its “flagrant attacks” on M?ori. This was combined, however, with a demand that it uphold the Treaty of Waitangi, which has been used by successive governments to divide the population based on race, and to make multi-million dollar payouts to indigenous tribal capitalists.

Wagstaff concluded the Wellington rally by saying it would “send a message to those that don’t value us” that “we expect respect, and we will get more because we’re determined to get it.”

The unions, however, made no commitment to strike or take any other actions. A leaflet distributed to people in attendance merely called on them to encourage others to join the unions.

The Public Service Association’s (PSA) assistant secretary Fleur Fitzsimons cynically told protesters in Wellington that “by being here you are resisting and opposing this government’s destructive and divisive agenda for Aotearoa/New Zealand.” She denounced the public sector job cuts as “shameful.”

Before last year’s election, however, the PSA made clear that it did not object to job cuts announced by the then-Labour government. Far from organising any opposition, the PSA has accepted and helped to implement thousands of redundancies across dozens of departments.

Another speaker in Wellington, Ashley Maher from E t? union, complained that too many workers were being made jobless “without redundancy [payouts] or a support like social insurance.” E t?, FIRST Union, the Meat Workers Union, the Tertiary Education Union and the Rail and Maritime Transport Union have all recently been involved in enforcing hundreds or thousands of layoffs in their respective industries.

These organisations all function as adjuncts to the state and big business. Amid an historic assault on living standards, they are systematically working to demobilise and divide workers—including through the promotion of xenophobia and nationalism.

None of the union officials who spoke on Wednesday made any mention of FIRST Union’s embrace of the

anti-immigrant New Zealand First Party, which is playing a key role in the coalition government. The union’s Dennis Maga attended NZ First’s recent convention and praised its policies, which aim to scapegoat foreigners for the country’s worsening social crisis.

The speakers also said nothing about the government’s support for Israel’s genocide in Gaza and war against Russia, and its commitment to spend billions of dollars on the military in preparation for joining a US-led war against China. The working class is paying for the militarisation of society—which is fully supported by the Labour Party and the union bureaucracy—through cuts to vital public services.

There is no shortage of opposition to austerity and militarism. But to undertake a real fight, workers must take matters into their own hands and break the stranglehold of the trade union apparatus.

Rank-and-file committees, controlled by workers themselves and independent of the unions, must be built in every workplace. These must organise workers across New Zealand, and forge links with workers internationally, in the broadest possible struggle against multinational corporations and the financial elite.

Above all, workers must recognise that they are in a political struggle against the capitalist system and all its servants, including Labour and the unions. A new party must be built to fight for the socialist reorganisation of society, which is the only way to put an end to social inequality, poverty and war. That is the perspective of the Socialist Equality Group.



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