



American Income Life
Insurance Company
1701 K Street, N.W., Suite 300
Washington, D.C. 20006
(202) 833-2030

TERRY O'SULLIVAN, President - Laborers International Union of North America, Chairman - AIL Labour Advisory Board

VICTOR KAMBER, Vice President - American Income Life Insurance Company, Executive Director - AIL Labour Advisory Board

ROGER SMITH, Chief Executive Officer - American Income Life Insurance Company, President - AIL Labour Advisory Board

DENISE BOWYER, Vice President - American Income Life Insurance Company, Secretary - AIL Labour Advisory Board

STEVE FRIEDLANDER, State General Agent - American Income Life Insurance Company

March 2017, Vol. 8 No. 3

National Labour News

The Public Service Association (PSA) and New Zealand Education Institute (NZEI) reached an agreement with the government to process pay equity claims based on the principles established by a joint working group led by Business NZ and the Council of Trade Unions. Legislation to implement the changes is expected later this year. In the meantime, the government agreed to accept the principles to resolve current pay equity claims. The agreement means employees who believe they are underpaid because they work in fields dominated by women will be able to make a pay equity claim. The first claims are PSA's for social workers employed by the Ministry of Social Development and NZEI's claim for education, behaviour and communication support workers with the Ministry of Education. The agreement will mean a "jump start" for pay equity, said CTU president Richard Wagstaff. "Working women who successfully demonstrate that they have a pay equity claim, will be able to be paid fairly."

The Resident Doctors Association settled a long-running dispute by agreeing to a new contract February 20 with the DHBs that will limit working hours for junior doctors. Under the terms for the 3000 junior doctors, they will not be required to work more than 10 consecutive days and will be rostered a corresponding day off during the week for each weekend day worked. They can be assigned to work back-to-back weekends, but must be given some days off next to weekends. The union also said the format of the rosters will be decided by local DHB management and the resident doctors working on that roster. In addition, doctors will receive a 1.5 per cent pay rise and an increase in the rates paid when a resident doctor does work beyond their job description. The doctors went on strike for three days in January, the second time in four months they walked out over excessive hours they were forced to work.

A survey of union workers in health care revealed that 90 per cent felt the healthcare system was understaffed and under-resourced. Nine out of ten workers also said funding was affecting access to healthcare, and 72 per cent said their workload and work pressures were not reasonable. The survey of nearly 6000 health staff included First Union paramedics, the New Zealand Nurses' Organisation, healthcare and hospital support staff from the E tu union, and the Public Service Association (PSA), representing mental health workers. A PSA spokesman told the news media that the unions involved were considering making the survey annual, following the dramatic results. Union leaders warned that understaffing and fears of burnout among health workers could be jeopardising patient safety, and reducing access to care. Royal New Zealand College of General Practitioners president Tim Malloy said he "completely and absolutely 100 per cent" agreed with the findings, although doctors and GPs were not included in the survey.

National, Economic & Political Events

Mothers get paid 17 per cent less than fathers, according to a new government report, Effect of Motherhood on Pay. The negative pay consequences for women with children is internationally referred to as the “motherhood penalty,” said Stephen Oakley from the Department of Statistics. Following the release of the report, the Human Rights Commission has urged businesses to get serious about the gender pay gap, especially for women with children. Equal Opportunities Commissioner Jackie Blue said several reports have shown pay gaps rise once women took on caring responsibilities. “For women, it is virtually impossible to recover any ground they lose while taking on caring responsibilities,” she said. The report also found that parents earned more than those without children, which resulted in a “significant” pay gap. “For example, mothers with dependent children earn more than \$23 an hour, on average, almost \$1 an hour more than men and \$2 more than women without children. Studying the reasons for this difference was not part of our analysis and requires further study,” Oakley said.

Prime Minister Bill English’s recent comments that some Kiwi workers were not applying for jobs in industries with skills because the applicants failed the drug test sparked a heated backlash. “One of the hurdles these days is just passing the drug test ... Under workplace safety, you can’t have people on your premises under the influence of drugs and a lot of our younger people can’t pass that test,” he said. His conclusion was later refuted by government data that showed that only 466 applicants failed pre-employment drug tests in the past three years. There were 32,000 pre-employment drug tests in 2015 alone. New Zealand Council of Trade Unions demanded the Prime Minister “to show more respect for Kiwis.” “We are better than this. By completely overstating the issue of drug use by people looking for work the Prime Minister justifies the widening of immigration policies,” CTU President Richard Wagstaff said. “Everyone who turns up to work must be able to do their work free from any impairment. Everyone should be safe at work all of time. These “alternative facts” the Prime Minister is using are destructive to the fabric of our society. Kiwis deserve better.”

Only 30 per cent of New Zealanders believe older people are valued by society and around 55 per cent think employers should do more to help older people stay in the workforce, reported the healthcare firm Bupa in a recent survey. Bupa said 69 per cent of those surveyed felt responsible for taking care of their elderly parents and more than half (56 per cent) felt that employers could do more to support people who are looking after elderly family members. Employers could offer flexible working hours and allow employees to work at home or enable changes or breaks in job arrangements, the health care firm said. Employers could also support workers as they age by “providing opportunities to exercise, access to medical advice, health insurance and mental health support.”

International Labour News

Around one million bankers conducted a one-day strike on February 28 after conciliation talks failed between the United Forum of Bank Unions (UFBU) and management. UFBU is an umbrella body of nine unions in the banking sector. "Banking operations have been affected with around 85,000 branches of commercial bank and another 105,000 branches of cooperative banks on strike," said C.H. Venkatachalam, secretary general of All India Bank Employees Association, one of the unions involved in the strike. The union members oppose government proposals to consolidate public sector banks through mergers and allow more private and foreign capital into banks, Venkatachalam said. The Chief Labour Commissioner of the Ministry of Labour had called for a conciliation meeting in Delhi which included representatives of the Indian Banks Association (IBA) and UFBU, said Venkatachalam. "All attempts to find solutions to the demands raised by the unions yielded no result. So, the UFBU decided to proceed with the proposed strike on February 28," Venkatachalam said.

Unionized workers of South Korean shipbuilder Hyundai Heavy Industries staged their first all-out strike in 23 years. They walked off their jobs in Ulsan for one day over failed wage negotiations. About 1,500 of the 15,000 workers participated in the eight-hour strike. The union and the company held several unsuccessful wage negotiations before the job action. The union also opposes the decision to split the company's shipbuilding and non-shipbuilding units. Union members fear the split will undermine the job security of those who will be relocated and that of the 13,000 unionized workers who will be left behind. The workers at Hyundai Heavy had staged partial strikes in 2016 and 2015.

Australia's gender pay gap narrowed slightly last year but only because of an economic downturn, according to the annual Gender Equity Insights report. Researchers said the gap between men and women's salaries dropped from 23.9 in 2015 to 23.1 per cent in 2016. The data was collected by the Workplace Gender Equality Agency (WGEA) from more than 12,000 employers and 4 million employees, then analysed by the Bankwest Curtin Economic Centre (BCEC). Report author BCEC director Professor Alan Duncan said the gender pay gap typically rises with upturns in the economy but drops as the economy falls. "We are more in a cyclical downturn than necessarily a structural shift in the way that men and women are remunerated in Australia," he said. "The gap is exacerbated by the greater access to discretionary pay, performance bonuses and the like amongst more top-tier managerial men than women." The report also revealed the pay gap between top-tier female and male managers had narrowed slightly from \$100,000 to \$93,000.

Two hundred striking workers in Myanmar attacked a Chinese-owned garment factory, smashing windows and doors and holding seven Chinese staffers captive for several hours, reported Beijing AP. The Chinese staffers were later released with help from the Myanmar government. The factory, owned by Hangzhou Baiyi Garments, is in Yangon. A dispute over pay and working conditions sparked the action. China's presence in the country has increased dramatically as the nation's fledgling democracy has opened trade. China is now Myanmar's biggest trading partner. But Chinese enterprises across Africa and Asia have often been embroiled in disputes with workers over wage and employment issues.

Regional and Local Union News

Tertiary Education Union intensified its campaign to protest the University of Otago's decision to cut the equivalent of 16 full-time jobs from the humanities division, including that of renown Pacific Islands Studies researcher Associate Prof Jacqui Leckie. An online petition calling for Prof Leckie's reinstatement continues to attract support and had more than 600 signatures. In past protests, TEU president Sandra Grey said cuts to the arts were an attack "on the heart of the university" and its ability to teach people to think, and the institution and the government were letting down society. In unrelated news, the New Zealand Quality Authority's decision to downgrade Western Institute of Technology at Taranaki "is symptomatic of a tertiary education system under immense strain," said the TEU. "Policies put in place by the National Government have led to inadequate funding models and auditing systems that are negatively impacting upon our public tertiary providers," said Grey.

E tu union officials engaged in consultation meetings over the closure of the Cadbury factory in central Dunedin. Cadbury's owner, Mondelez International, announced February 19 that the factory would close next year and production would move to existing Australian locations. More than 360 jobs will be lost. E tu spokesman Neville Donaldson said the union would seek alternative options to keep the factory open and avoid redundancies. The union has started a petition drive to stop the factory from closing with a goal to collect 2,000 signatures. E tu industry coordinator Chas Muir charged Mondelez International has ignored the "millions of dollars in profit" the Cadbury factory makes in Dunedin. "People shouldn't be treated as pawns on a multi-national company's chessboard," he said. "Mondelez has a terrible governance record and has helped erode the brands it represents, causing flagging sales, and near-wrecking once great brands like Cadbury."