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### **Quick Section Links**

[National Labour News](#)

[National, Economic & Political Events](#)

[International Labour](#)

[Regional and Local Union News](#)

## National Labour News

**The nation's labour unions** are rallying around workers at the Port of Auckland who are fighting threats of privatisation and redundancy. The dispute continued to escalate this month as some 300 members of the Maritime Union waged a 48-hour strike that began January 9. The action was the fifth strike since November. Negotiations have been going on for 11 months and are stalled over Port management's plans to introduce flexible rosters that the union says will lead to a casualised workforce and loss of guaranteed hours for full-time staff. The union recently rejected the company's latest offer which included a 10 percent increase, productivity bonuses, retaining existing terms and conditions in return for a roster that provides "more flexibility and productivity." On its website, the union said, "the union position is clear. It does not want the 10 per cent - it wants secure, ordered and transparent rosters."

**International and national support** for the fight of 111 locked-out meat workers at CMP is credited with helping the workers save their jobs and their contract. The lock-out ended after the workers accepted a new offer from the company and returned to their jobs at the beginning of January. The workers had been locked out since October 19, and their campaign attracted worldwide attention. They were locked out after refusing to accept a 20 percent pay cut and many other changes to their working conditions. "We did not go into this dispute expecting to stop all the cuts and the company used the most extreme and harsh measures against these workers ... These workers showed so much strength and with the support of the union movement, fought back," said Dave Eastlake, National Secretary of the New Zealand Meat Workers Union. The workers took some pay cuts but all of the non-cost conditions that the company demanded were put back into the new agreement. They also received a \$500 payment on return to work and "other improved provisions in the agreement," the union said.

**Thoroughbreds continued** to race after the nation's jockeys reached an 11th hour settlement with industry management that averted a threatened strike last month. A walkout by the jockeys would have disrupted the busy holiday racing carnival that could have cost the industry millions of dollars. New Zealand Jockeys Association representative Hayden Tinsley said industry owners agreed to the jockeys' claim for a \$10 increase in the ride fee to \$125 from \$115. "That includes a \$5 per ride contribution towards riders' ACC costs for three years commencing January 1, 2012," he said. "This agreement will now provide long-term certainty for both jockeys and owners in relation to the riding fee through to July 31, 2015."

**Meat Workers Union's legal** challenge to Affco's policy of randomly drug-testing workers at its meat processing plants could involve an "important question of law" that could have widespread effect throughout New Zealand, said the Employment Relations Authority which referred the case to the Employment Court. "Drug testing, and in particular, random drug testing, is a feature of many workplaces," the authority said. The union asserted that Affco cannot legally introduce random drug testing, Affco's drug-testing policy was unreasonable, and the introduction of the policy and lack of consultation breached good faith. Affco said random testing was essential to ensure the safety of people and plant, a key issue in the legal dispute. The Employment Court has previously ruled that an employer has the right to carry out consent-based random drug tests in "safety sensitive" areas or operations only. But the court has not yet defined "safety sensitive."

**EPMU announced a new agreement** with BP that will increase wages for BP service station workers by more than six percent during the next two years. The company also agreed not to use the 90-day 'fire-at-will' provisions. The union's national secretary, Bill Newson, said in a statement that the BP settlement is a "good effort" in an industry that is difficult to organise. "This is a critically important employment agreement for workers in an industry that is characterised by insecure and poor employment conditions and low pay," he said. The EPMU organises nearly 400 BP workers across the country. Palmerston North based organiser, Laurel Reid, said the pact was a "good start" in raising wages off a minimum floor "and it gives us something to build on for the future."

## National, Economic & Political Events

**David Shearer's election as leader** of the Labour Party last month was welcomed by NZ labour unions. Grant Robertson was also elected as Deputy Leader. "We recognise that David Shearer wants to reach out to a broad cross section of Kiwis and I am sure that workers up and down the country would like to discuss their issues with him," said Council of Trade Unions Secretary Peter Conway. Conway emphasised that CTU is not affiliated to the Labour Party "but has a great interest in any party that stands for decent jobs for New Zealanders, values fairness in the economy and will promote sustainable development." Shearer and Robertson were elected by the party's 34-member caucus, defeating David Cunliffe and Nanaia Mahuta on what is reported to have been "a very close vote." Shearer, a 54-year old former United Nations worker, was elected to Parliament just 2½ years ago. He was catapulted into the leadership by a party that observers say "wants a fresh face to rebuild the party and take it into the 2014 election."

**A key survey recently revealed** that employment confidence among New Zealanders declined to the lowest level since mid-2009 in the fourth quarter. The Westpac McDermott Miller Employment Confidence index fell to 99.6 in the December quarter from 104.2 in the previous period. This is the lowest index since June 2009, when it stood at 96.1. "Given the storm clouds hanging over the global economy, and the plunge seen in the Westpac McDermott Miller Consumer Confidence Index, this latest fall in employment confidence comes as no surprise," said Westpac economists Dominick Stephens and Felix Delbrack. According to the economists, the indices signal the risk of a retrenchment in consumer spending early this year.

## International Labour

**The United Food and Commercial Workers International Union** hailed the decision of the Netherlands' largest pension fund to withdraw its investments from Walmart. UFCW President Joseph T. Hansen described the action as a "wake-up call" for the company to start treating its employees better. Algemeen Burgerlijk Pensioenfonds (ABP), with more than \$300 billion in assets, cited the world's biggest retail chain's labor practices as the reason. The fund said it was pulling out of Walmart because it hasn't complied with the United Nations Global Compact principles, which promote human rights, labor standards, and environment and anti-corruption efforts. The fund had invested \$121 million in the retailer as of June 2011. According to news reports, ABP's decision was four years in the making, having first warned Walmart about its labor practices in 2008. In 2006, Norway's Government Pension Fund sold more than \$400 million shares in Walmart, also in a rejection of the company's labor practices.

**Nearly ten thousand employees** of the Chengdu Steel & Vanadium Company (CSVC) in Sichuan province went on strike January 4 over pay raises. According to news reports, workers complained that public servants in government organizations receive pay raises every year which raises the country's overall consumer demand. However, wages of company employees are relatively low and seriously lag behind expenses. On the first day of the strike, some 5,000 workers marched from the factory to the entrance of the Chengdu-Mianyang Expressway where they were stopped by more than 1,000 policemen. Three workers were injured and five arrested after police dispersed the crowd with force and the use of pepper spray, news agencies reported.

**United Kingdom's Trade Union Council** dismissed assertions from the Prime Minister's Office that UK businesses are in a "stranglehold" of health and safety rules and compensation claims. "Every government report on the UK's supposed compensation culture has shown it to be a myth, and in fact claims have been declining over the past decade. Despite this the government seems hell-bent on trying to stop workers injured by their employers' negligence being able to claim compensation," said TUC General Secretary Brendan Barber. "It is clear that Downing Street does not have a clue about what life is like for the millions of ordinary people who work in shops, offices, schools, factories, call centers and other workplaces across the UK."

**Nigerian workers began** a national strike January 9 after the government scrapped fuel subsidies at a time when fuel costs have more than doubled. The strike, called by the Nigeria Labour Congress and the Trade Union Congress, the country's biggest labour union federations, threatened to close ports and disrupt output from Royal Dutch Shell and Chevron Corp. Nigeria is Africa's largest crude producer. "The objective is that the government must reverse the fuel price increases before we end the strike," Owei Lakemfa, secretary-general of the Nigeria Labour Congress, told the news media. Banks, businesses, schools and most offices were shut and streets deserted except for protesters in Lagos, the West African nation's economic centre, and Abuja, the capital.

**Australia's Gargarre Heinz** factory in Victoria closed January 7 as the last of 146 workers ended their final work day. Heinz moved its tomato sauce plant to New Zealand. The company announced the closure in May last year, saying the cost of making the plant competitive in the price-driven grocery market was becoming too high. The workers were represented by the Australian Manufacturing Workers Union which said most of the workers were still looking for jobs. "A few have moved on to different factories, others have found casual employment but of course it's not the same as having a secure job," local union organiser Jason Hefford said. Hefford said the retraining services offered to workers by Heinz were minimal. "They could have done a lot more," he said. "They chose to just fulfil their enterprise agreement. Even with the scholarships they gave out, a lot of that was funded by the government."

**Irish union members nationwide** rallied in support of Vita Cortex workers in County Cork who have been engaged in a sit-in over their redundancy payments for more than three weeks. The workers started their sit-in on December 16 at the foam-packing plant in Ballyphehane, Cork. They are seeking €1.2 million promised in September when Vita Cortex management announced production was being transferred from Cork to Athlone in County Westmeath. But the company has since claimed a financial inability to make the payments. Services Industrial Professional and Technical Union (SIPTU) leader Jack O'Connor visited the plant just before Christmas and pledged to "mobilise" the union in defence of Vita Cortex workers, most of whom are SIPTU members. Recently talks opened involving the Labour Relations Commission (LRC) which is trying to mediate the dispute.

## **Regional and Local Union News**

**The Canterbury District Health Board (CDHB)** should reject the offer by Minister of Health Tony Ryall to rebuild Christchurch and Burwood hospitals using public-private partnerships (PPPs), urged the New Zealand Nurses Organisation (NZNO). "The Government's support of PPPs shows that they are more interested in lining the pockets of big business than making the best decisions for New Zealanders and the health system," said NZNO CEO Geoff Annals. He said evidence shows there is "almost never" any benefit to the PPPs' taxpayers. "A privately built hospital has no advantage over a state built facility. The risk of failure is high; private companies bid low to get the contracts and are often not accountable for going over budget, with Government having to mop up the mess," he said.

**The Service and Food Workers Union** reported that the labour dispute affecting Samoan workers at the meat processing plant CMP Rangitikei, near Marton, has been resolved. According to the union's Pacific liaison officer, Tuifa'asisina Mea'ole Keil, an agreement was reached between the company and locked out employees just before Christmas. "There was a press release put out by the Council of Trade union. The details, well not much is known, but all-in-all, the official word that has gone out is that this dispute was resolved and that everybody was happy ..." According to news reports, more than 100 workers had refused to sign individual contracts that contained pay cuts of up to 20 per cent. Tuifa'asisina Mea'ole Keil said the company's decision to travel to Samoa to recruit workers during the lockout had also caused some friction.