

The Northern News

CONFIDENTIAL INTERNAL NEWSLETTER OF THE NORTHERN AMALGAMATED WORKERS UNION

The Recession 2009

The Recession real or not means many Employers will use the situation to reduce wages and conditions of employment. Already the National Government has indicated that wages in the Public Sector will be frozen or trimmed.

The Auckland City Council have said they have not allowed in their budget for wage increases and Waitakere City Council have given a clear statement that increases will be low or nil. The Auckland Regional Council lost \$2 million dollars to bring a second rate football match here, yet they say they can't afford a reasonable wage rise.

The people who make these decisions can afford a wage freeze with little or no effect on their standard of living. Our members need wage increases to maintain a reasonable standard of living.

If Barrack Obama had kept quiet about CEO's losing bonuses, the Captains of Industry here would not

have followed his lead. It's like a creeping disease. If Councils would stop wasting money on expensive Logos and unnecessary Drug and Alcohol Policy, they would have enough money to give their loyal employees a rise to meet their everyday costs. Workers will have a rocky road ahead in the next three years because those Employers have a very sympathetic Government.



Prison Labour Update

Your Union is still highlighting the scourge the Correction Inmate Employment is becoming to Waged Workers. After Secretary Ray Bianchi appeared on TV1 News and the Breakfast programme there has been a deluge of people offering information about how Prison Labour has affected their business. We also now know that 2 bus loads of Prisoners leave Rolleston Prison in Christchurch to work in the community. We also understand that Porirua City Council used Prison Labour and paid \$210,000 for that privilege. Prime Minister John Key was questioned on Breakfast and was very 'flakey' over the issue.

His attitude was;

- a) Prisoners get 20 cents per hour.
- b) But Correction's charge the minimum rate.

Well Mr Key, no thanks to you but workers in that Industry get paid significantly more than the minimum rate of \$12.50 per hour. Corrections pay no ACC levies and do not have to allow for Annual Holidays, Public Holidays, Sick or Bereavement Leave costs, yet he still says they are not undercutting bona fide Employers. Honest John is telling 'porkies' and who would have any confidence or trust in the Corrections Department.

4 Day Week

The National Government and some Union's are proposing that workers accept a 20% cut in their wages and depend on the Government to make up that shortfall. Members can be assured that at the moment, workers under Collective Agreements would need a variation to change your hours of work. This Union will not be party to any arrangement that would force this type of change on workers.

The people proposing this do not understand what it's like to live week by week. So they need to think

before they speak. The reality is most of our members struggle to live on 5 days pay let alone 4 days pay.

The other question is, even if the Government did offset that loss in worker's income, how long would that continue? We are not Economists but anybody with half a brain can see that the costs associated with that policy could cost millions of dollars.

Minimum Wage

On April 1, the Adult Minimum wage will rise from \$12 to \$12.50 an hour, the stingiest increase since 2005. It's no living wage by any stretch of the imagination, but there were some MPs in the National Party who agreed with the position of Business NZ: that \$12 was very generous, and there should be no increase at all this year!

Not many (if any) of our Union's members will be directly affected by the change, since our collective agreements generally have starting rates in excess of \$12.50. But the size of the increase (equal to 4%) should set a bench mark in our wage claims with employers this year, if we are to maintain our relativities above the minimum rate. Wages are built from the bottom up. If the lowest rate is too low, chances are the highest rate won't be that flash either. This is why employers like to use Labour Hire outfits to push down wages generally.

The Royal Commission into Social Security in 1973 recommended that the minimum wage should be set at two-thirds of the average wage. Today that would be worth around \$16. It's an ambitious target for us to aim for, but it can be achieved with enough effort.

The best way to start is by building union power in your workplace. The daily work that our members and delegates do to keep the bosses honest, helps the union when it comes to negotiations. By getting decent increases for all workers, we can start to put pressure on the government to make meaningful increases in the minimum wage.

No doubt employers will start a chorus of bleating about not being able to afford our claims due to the recession. As if it was the workers who caused the slump in the first place! In Europe, where the economic situation is currently far worse, workers have taken to the streets en masse with the slogan "We won't pay for your crisis!"

Prime Minister 'Shon-Key' has spoken in the past about closing the wage gap with Australia. His scrooge-like rise in the minimum wage shows he's not serious about it, at least for the working class of New Zealand. The job of closing that gap will be down to us, as unionists, and whatever allies we can find in our cause.

Mike Kyriazopoulos
(ORGANISER)

The Secretary's Message

The last time we had an 'Anti-worker' government in the 1990's, most workers lost wages and conditions. It is too early yet to say if the National-Act-Maori coalition government will deliver for workers or as like the 90's National government, attack hourly workers and beneficiaries. My message to members

is simple, we retained what most workers lost during the 90's, and that was because of discipline and honouring good Trade Union principles. My prediction is that we will need those attributes in the future, if we are to survive.

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