

NEW ZEALAND MERCHANT SERVICE GUILD IUOW In

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NEWSLETTER

WINTER 2009

Collective Agreements

Settlements have been reached in the following negotiations: Ports of Auckland Marine Services, Harbour Control, and Pilots' agreements; Offshore MECA; Silver Fern Shipping Ltd; Primeport Timaru Pilots; NIWA; and for Port of Napier Tugs and Launch agreements. 'Inaugural' collective agreements have now been concluded for new membership at Stewart Island Experience and Black Cat Cruises.

Still underway or soon to be commenced are: Leonhardt and Blumberg; Port of Tauranga Pilots, Tugs, Launch and CSC agreements; C3 Stevedore Foremen in Auckland and Tauranga; Westgate Pilots, Tugs and Launch agreements; Golden Bay; Port Otago Pilots; Real Journeys; Holcim; CentrePort Tugs; Lyttelton Pilots and Tugs; and Pacifica. We anticipate some difficulties with one or two of these negotiations.

Real Journeys

In February this year the company approached the Guild with a 'restructuring proposal', claiming that the predicted downturn in tourist numbers in the Milford Sound Day Cruise vessels was forcing it to make one skipper redundant in and reduce the pay of the others by 40%. Milford Sound Day Cruises is the area in which three active Guild members are employed, one of them a key negotiator for the collective agreement and instrumental in achieving the gains made in the last negotiation round. The initial "consultation" period given to us for feedback was two weeks. Our request for details of the company's profits was declined. At members' meetings in Te Anau and Milford Sound the view was repeatedly expressed that this company had enjoyed years of booming success and therefore should be in a very favourable position to withstand a period of downturn without resorting to such drastic measures. After the Guild conveyed its detailed feedback objecting to the proposal, a 'revised' proposal was issued this time for two redundancies, and those now to be selected from only the three Guild members. The new proposal claimed that the non-Guild members (who do the same job as our members) were not affected because they had 'different roles'. The Guild raised a dispute about the proposal and urgent mediation was arranged, but the issues were not resolved, and the company continued down its predetermined path. The Guild then filed injunction proceedings in an effort to prevent the dismissal of our two members, and claiming the whole process is discriminatory and a sham, and that the company has used the economic crisis as a convenient excuse and first opportunity to try to reduce the influence of the union on the wages and conditions of its employees, and the safety practices of this company. The injunction application was heard on Thursday 28 May and we await a decision in the next few days.

Economic Crisis – Impact on Industry

A number of "zero" or very low wage offers have been received in recent negotiations while other negotiations have resulted in higher wage settlements. Also, several redundancies have occurred amongst stevedore foremen employed by C3 in Auckland. Ports of Auckland has also announced its decision to merge the Bledisloe and Fergusson operations resulting in over 20 redundant positions (the company is calling for volunteers currently). We also understand that Interislander is planning to temporarily suspend some services and to request employees to use leave or attend courses. Leonhardt and Blumberg have also terminated the contracts of four NZ masters, claiming that the economic situation has meant nearly a dozen of its ships are currently laid up.

The ITF recently conducted a survey of all its seafarer and docker affiliates about their experience so far of the economic crisis. Experiences are variable, with many affiliates stating that some enterprises are badly affected and while others show very little impact so far. This is our experience currently also. A large number of affiliates noted that some employers are using the crisis as an excuse to make

cuts.

The CTU is taking the view that wage freezes are not the way to overcome an economic crisis. CTU Secretary, Peter Conway, says wages must increase if the economy is to recover. The latest Labour Cost Index, released on 6 May, shows that wages rose by 3.3 percent in the March 2009 year. The median increase for all surveyed salary and ordinary time wage rates that rose in the year to the March 2009 quarter was 4.2 percent, down from 4.4 percent in the year to the December 2008 quarter. The median for the March 2009 quarter was 4 percent. For wage and salary rates that rose in the year to March, the mean increase was 5.7 percent. In the March 2009 quarter the mean increase was 4.5 percent.

Employment

It is clear that the international situation in the industry has worsened. But shipowners must continue to train seafarers, otherwise the skills crisis will be much greater when the upturn occurs.

The Guild is calling for employers to protect job opportunities for New Zealanders (citizens and permanent residents) as a priority, and not to engage temporary migrant workers who require a work permit to work in New Zealand.

Recently Silver Fern Shipping engaged six workers from outside the country to join Torea and carry out paint chipping and welding work on the vessel en route to dry dock in Singapore. When the Guild objected to these jobs not being offered to New Zealanders, the company refused to provide any information and said it was not the Guild's concern. Maritime NZ allowed these workers to be engaged as "supernumeraries" and to accommodate all six in one cabin.

Following representations made by the General Secretary to the Minister of Transport, a further meeting of the Sea Change workforce development group was convened in May. A labour supply study commissioned by the Ministry has now been finalised. It concludes that the number of seagoing staff required by 2040 (the target date of Sea Change for 30% of cargo to be carried by sea) could be as high as four times the current manpower numbers. Once again, training of New Zealanders is a critical element of any strategy adopted by industry. The Shipping Federation, despondent after the new government withdrew funding opportunities, has said it no longer is interested in developing an industry training scheme. The Guild has asked the Ministry to request each shipowner's succession plan for discussion at the next meeting. Meanwhile Maritime NZ is conducting a large scale review of the qualifications and operating limits rules. We have been assured that this will not result in any lowering of standards.

and finally.....Meeting venues and dates

Auckland: meetings are held on the first Friday of every month (except January or public holidays), and are held in the Aviation & Marine Engineers premises on the first floor Administrator House, 44 Anzac Avenue, commencing at 0930 hours on the following dates:

Friday 5 June, Friday 3 July, Friday 7 August, Friday 4 September, Friday 2 October, Friday 6 November and final meeting for the year Friday 4 December 2009.

Wellington: meetings are held on the second Friday of every month (except January or public holidays) at the Guild premises on the 6th floor, 94 Dixon Street, Wellington commencing at 0930 hours on the following dates:

Friday 12 June, Friday 10 July, Friday 14 August, Friday 11 September, Friday 9 October, Friday 13 November , with the final meeting for the year on 11 December 2009.

Tower Superannuation

The transfer of the NZSOS scheme to a master trust has now been completed. Members of the scheme are strongly advised to check all their details and balance to ensure that everything has been transferred across correctly. This can be done by registering on Tower's "Supersite" website at www.supersite.co.nz which allows individuals access to all their account details. For registration, your Tower membership number is required.