Meat Workers Union response to AFFCO negotiations 28 February

Company's claims

Amend clause 3 c
"New employees whose work fall within the coverage of this agreement will be employed under the terms of this agreement for a duration consistent with the terms of the Employment Relations Act 2000"

Union response

The union rejects this claim. It is clear the Government is intending to change the law to remove the provisions allowing new workers to be covered by the agreement for the first 30 days. This would then allow this new provision to apply. The lack of guarantee of collective coverage for the first 30 days makes new workers vulnerable to company IEAs that undermine their rights under the collective and eventually undermine the collective and union membership entitlement. New workers are vulnerable to unilateral determination of terms and conditions in exchange for employment and the union is not prepared to allow this to occur. The change the Government is intending to in act is likely to be contrary to international labour conventions and to challenge. Talley's as a company that trades internationally and relies on international law to do so should not be associated with such a change.

Term of agreement
This employment agreement shall come into force on the first day of January 2012 and shall remain in force until the thirty first day of December 2013.

Union agree

Wages
Provided that any union members do not at any time during bargaining for this agreement go on strike and subject to clause 6 c) below;

(a) The pay rates contained within this document will be increased by 2.3% from 1st January 2012;
And
(b) There will be increase of 2.0% on all rates on the 1st January 2013

Union agree provided no union member will be paid a lower hour plus piece rate than any non union member. (To discuss implication of strike action)

The above increases will not be applied to any site agreements or plant agreements yet to be negotiated should such agreements act to increase the current paid wages existing as at 31 December 2011; i.e. the increase applies in the event of no other increases occurring by site or plant negotiations

Union agrees subject to agreement above re non union members

Start and Finish Times – day shift
Before each season starts agreement shall be reached in each department regarding the work schedule and start and finish times, within the span of hours above, for that season. The starting and finishing times will be posted for each department on the notice board.

Union agrees

The company has the ability to change start/finish times within 48 hours notice at the Companies discretion.

Union will agree with the addition of the following: provided start and finish time continue to be within those determined in clause 9(a).

The Company shall give 60 Hours notice of change from a 5 day to a 4 day schedule for vice-versa, to the workers affected.

Union will agree with the addition of the following: provided that any statutory holidays that fall within a month of such a change and would have been payable had the change not occurred, will be paid as if the change had not been made.

Delete clause 17b
When workers are not paid in their respective departments they shall be paid in the company's time. Existing practices at the sites covered by this agreement shall not be considered inconsistent with this clause.

Union agree

d) Notwithstanding anything contained in clauses 29 and 30, new employees, being employees who were not employed by the company in the previous season may be employed on either a trial period or probation period as allowed for under the Employment Relations Act 2000.

Union will agree to probationary period but not trial periods

c) Consistent with departmental needs and the individual's competency, lay-off and re-employment shall be based on departmental and/ or site seniority. Departmental needs will include but not be restricted to the engaging or retaining of workers outside of seniority for the purpose of training certain workers for specific positions, such persons selected for training do not need to be above normal manning levels.

Union will agree to discuss a separate training provision that respects seniority, recognises the need for the company to train and the possibility that this can on occasions occur within manning numbers where reasonable Tally's can be maintained.

No agreement implement clause 53 Resolutions of employment relationship problems- unless e) below or clause 44 applies

e) It is acknowledged that the company must maintain flexibility to be efficient. Except for changes in machinery covered under Clause 44, the following will apply. While it is agreed the parties will consult each other on major changes in processing speeds, manning and shift configuration, failure to agree will not prevent the company from implementing such changes. It is further agreed that provided members total daily earnings from working a full shift at ordinary rates is maintained by such changes they will abide with the full intent of this clause in every respect.

Union response
The union believes this clause leaves open the possibility that the employer can make changes that could have significant impact on wages of employees. For example daily earnings are impacted by tally numbers and manning levels. If these are unilaterally changed then wages could be decreased. If the company is seeking a more flexible way to change manning and tally numbers but preserve pro rata rates of pay, then the union can discuss alternatives.

The Company shall recognise a maximum *of two duly* elected representatives of the Union representing process workers at single species plants, and a maximum of four duly elected representatives of the union at multi-species plants.
For ease of recognition plant officials and delegates clothing and headgear will carry the Union logo

The union accepts that union recognition levels may be an issue in some departments at some levels. We are happy to explore this but this provision proposed by the Company is too inflexible.

d) An authorised union official shall be entitled to enter the premises and interview employees in accordance with the Employment Relations Act 2000.

Union Response

The union is having trouble getting easy access to plants to carry out legitimate union business. Refer to union claim.

Whenever such changes are contemplated, if significant, and where that will involve changes to machinery and or methods of work and or plant layout and or where it may involve redundancies or redeployment with corresponding changes to terms or conditions of employment including but not restricted to line speeds, manning, tally, piece rates and or position, the company will consult with the workers and the Union prior to such changes being implemented (or if changes arise during off season with the Union and such workers as many then be employed) however management prerogative to operate its business efficiently is acknowledged and the obligation to consult does not require that agreement be reached before these plant changes are introduced provided however redundancy and redeployment provisions may then apply. Site agreements may not include terms contrary to this or which would prevent

such changes being implemented or which would require or be deemed to require agreement before such terms were implemented.

Union response
See issue above – this leaves open wage levels to manipulation. The union is happy to discuss alternatives that protect pay levels.

e) The parties agree that a drug free workplace is fundamental for ensuring the Health and Safety of employees and those they work with. Accordingly the Union agrees to cooperate fully with AFFCO in the testing of employees for the presence of drugs at all its Plants and not to undermine AFFCO's testing procedures in any way.

Union response
The union will agree to saliva testing of workers which are accurate for showing up impairment. Urine testing identifies drug use that is not impeding performance and leaves workers vulnerable to disciplinary action for unfair reasons.

Note: The terms used in this clause have precise legal meanings which are set out in the Employment Relations Act 2000. Employees who believe they have a personal grievance should follow the process in clauses 53.4, 53.5.

4. Raising employment relationship problems

The parties agree that the following procedure will be complied with in respect of all employment relationship problems or claims of breach of contract raised by an employee or the Union (other than an alleged illegal lockout; it being accepted that any such action may be commenced by way of interim injunction):

a) While employees and delegates are encouraged to raise any issues they have with their immediate supervisors they acknowledged that supervisors do not have authority to accept notice of employment relationship problems on behalf of the Company and so any issue not resolved in informal discussion with a supervisor that is seen as a personal grievance or dispute must be brought to the attention of the plant manager (or in his/her absence the production manager) as soon as possible.

b) The employees are entitled to seek advice and assistance from a Union representative in raising and discussing the problem.

c) The plant manager and plant union officials will try in good faith to resolve the problem without the need for further intervention and the plant manager will give a response within no more than 4 working days.

d) If the union or employee are not satisfied with the plant manager's response and believe that a personal grievance or dispute still exists then the union shall detail the grievance or dispute in writing, giving sufficient detail, including names of employees they believe are or may be
affected, as to fairly inform the company of the nature of the issue and to allow it to investigate and respond. The written notice of the dispute shall be given to the plant

manager and shall also be sent (by fax or email) to the Company's in-house solicitor at 07 829 2889 or rachel.webster@affco.co.nz.

e) The company shall respond in writing within five working days and may request either further meetings or information.

f) If the Union or employee is not satisfied that the response settles the employment relationship problem it will reply in writing advising why and shall (without undue delay) seek the assistance of the mediation services provided by the Department of Labour.

g) All parties must co-operate in good faith with the mediator in a further effort to resolve the problem.

h) Mediation is confidential and, if it does not resolve the problem, is without prejudice to the parties' position however any settlement of the problem signed by the mediator will be final and binding.

i) if and only if mediation has been conducted and the employment relationship problem has not been resolved will the employment relations problem be referred to the Employment Relations Authority or Employment Court. Note: The powers of the Employment Relations Authority and remedies it may award are set out in detail in the Employment Relations Act 2000. Your Union can advise and assist you.

5. If an employment relationship problem is raised by the Company then (other than in the case of an alleged illegal strike, it being accepted that any such action may be commenced by way of interim injunction) it will follow a similar process; i.e. informal discussion, notice in writing and mediation prior to filing a claim in the Authority or Court, with timelines applying in reverse.

6. The parties acknowledge that the agreed process for resolving employment relationship problems is considered by each to be of fundamental importance to them in entering into this agreement and agree that in the event that a party files proceedings in the Authority or Court prior to having completed the required preliminary steps referred to above, then:

(a) The other party shall have the option, to be exercised within 45 days of the filing of proceedings, to give written notice to the party that filed the proceedings terminating this agreement and the service of such written notice shall be an event on the occurrence of which this agreement expires and pursuant to Section 52 (3) (b) of the Employment Relations Act 2000 this collective agreement shall expire as at service of such written notice;

(b) The party filing the proceedings shall not be entitled to any costs in respect of such proceedings and fully indemnifies the other party from any costs award made against it in respect of such proceedings;

(c) The party filing the proceedings shall pay the other party's costs for the proceedings (on a solicitor client basis) and fully indemnifies the other party from such costs incurred by the other party.

Union Response
The union is prepared to agree to these provisions with the following amendments:

Amend the first provision to incorporate the provisions in point 5 and delete clause 6. We agree a better process for disputes is highly desirable and this provision sets out a good process. We do not agree that either party can end the collective agreement because of a dispute under this clause – this will create problems for the union and employer in our view and can be misused creating great uncertainly.