

Collective Employment Agreement proposal:**Widespread concern over 33 month term**

PWUA members are being asked in the next few days to give an "indicative vote" on how they feel about Post's latest offer for a new Collective Employment Agreement.

This is not a formal "ratification" vote - a final vote on whether or not to accept the new CEA cannot be held until the final wording is available to the union.

The purpose of the "indicative vote" is so that PWUA members can let the EPMU members know the feeling of the PWUA members to the offer before the EPMU members have their own formal ratification vote.

At the last negotiation session with the company on 18 June, the PWUA negotiating team felt the 33 month term was too long, but recognised that the offer also contains some good points. However the negotiating team still decided not to recommend the latest offer to union members.

Already there has been widespread concern from union members about the length of the current offer - at 33 months it is almost the maximum term allowed by law - 36 months.

The wage increase offered is for 4%

on 1 July 08, 2.5% on 1 April 09, 3% on 1 December 09 and 2.5% on 1 August 2010 - an average of 4.5% a year. However with the current high rate of increases in prices of essentials, members are saying that 33 months is too long to be committed to what is a 4.5% annual wage increase.

Although the rise in the consumer price index for the March year 2007/08 was 3.4%, increases in food, power and fuel are all above 6%. Inflation this year is expected to peak at 4.7%, with future movements unpredictable.

A 33 month term does not allow union members to be able to seek a new agreement for increased costs until the year 2011.

Secret ballots will be run on each site to vote on the motion:

*"This meeting is prepared to accept the collective agreement offer from NZ Post outlined in Redbacks 68 and 69".*

Members will be able to vote "for" or "against" the motion.

To assist the delegates in running the meetings, Post will be advised that delegates will be holding short meetings to vote on the latest offer.

**Paying posties for some cut-ups**

Payment for postie cut-ups was an important claim made by the PWUA at this year's negotiations.

The company has now confirmed an offer to pay a meal allowance for cut-ups performed in some instances. The terms on which a payment for cut-ups will be made are still being worked on. Once the wording is agreed between the PWUA and the company, the same offer for payment for cut-ups will then be made to the EPMU.

It has been agreed that the payment for cut-ups is an interim measure. The payment formula will be reviewed after the first three months of its operation.

The following wording has been

agreed to:

*"This payment identifies the parties' mutual interest in rewarding extra effort and working to develop a flexible roster and reward system that is also capable of maintaining at least the weekly wage rate under the 2008 collective agreement".*

The PWUA hopes that by this mechanism, during the term of this agreement, a different way of arranging work in delivery can be offered that provides increased potential earnings and more flexible work rosters.

Each delivery branch could then choose whether or not to opt into the new flexible work rosters arrangements.

**Correction and increase to "Relevant Daily Pay"**

The company has agreed to amend the Collective Employment Agreement so that Relevant Daily Pay is brought into line with the Holidays Act. Relevant Daily Pay is the amount workers are paid for public holidays, and for sick and bereavement leave, and was introduced by the Holidays Act 2003.

Post has wrongly been excluding some overtime and overflow bag payments from these pay calculations.

The company's offer is subject to the PWUA "vacating a fixture" for a hearing in the Employment Relations Authority over this matter. "Vacating a fixture" does not mean that the case is withdrawn. It means that the case is held over to another time should that be required. In the meantime the company proposes that there be further mediation to try and fix a fair and simple formula for dealing with back pay owed to many members over the past four years.

The PWUA has had two cases before the ERA, one in Auckland, and the other in Christchurch.

The ERA invited the EPMU to become a party to these proceedings for the benefit of EPMU members. However the EPMU declined to attend the hearing and the PWUA has followed up on the issue of Relevant Daily Pay on its own.

**Company will pass on claims**

Post will pass on the benefits of the PWUA cut-ups offer to the EPMU.

Post also agreed that any progress in the EPMU claims such as the Mail Officers' remuneration would be passed on to the PWUA.

## PWUA action leads to increase in C motor rate

Industrial action taken by PWUA members during the 2006 CEA negotiations has seen the C motor rate increased from 62 cents per kilometre to 76.5c/km from 1 July.

In the past the company had been concerned that a higher rate than 62 c/km would have attracted a Fringe Benefit Tax.

However the settlement of the PWUA 2006 - 2008 Collective Employment Agreement included an agreement for a joint PWUA and Post approach to the Inland Revenue Department to find a formula to provide for an increase

in the C motor allowance which would be acceptable to the IRD.

The company has now confirmed the offer on C motor - to pay the 1600 to 2000 cc 14000 kilometre rate published by AA.

This rate is currently 76.5 cents per kilometre. The C motor rate will be tied to the AA rate as at 1 July each year.

Members affected by rising petrol prices will be better protected by the successful joint PWUA/Post approach to the Inland Revenue Department to provide for a higher C motor allowance.

## PWUA efforts to seek EPMU cooperation

The PWUA acknowledges the good relationship which exists between the union members and delegates at many work sites at which both unions are represented. The PWUA also has a good relationship with some of the EPMU officials.

The PWUA has made numerous efforts to establish a cooperative relationship with the EPMU advocate during the negotiations.

Eventually there were two meetings between representatives of both the PWUA and the EPMU.

At both of these meetings the PWUA representatives stressed that its members wanted a one year term. (In the first days of the negotiations Post indicated it was prepared to enter into a one year agreement.)

However the EPMU advocate told the PWUA that the EPMU position was that its members "valued the

stability" provided by a longer term agreement.

Prior to the commencement of negotiations a series of meetings of PWUA members endorsed a report from the PWUA advocate. This report recognised that once one union settled a wage rise and term, then it would be an almost impossible task for the other union to try to get a better deal.

During the negotiations the company offered the PWUA the opportunity of being "the first cab off the rank" in making a settlement that would then be passed on to the EPMU.

However the PWUA was not willing to make any settlement without first consulting with the EPMU.

At no stage did the EPMU advocate consult with the PWUA about accepting a 33 month term which extends out to nearly the legal maximum of three years.

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## Proposal to increase union membership fees

The PWUA is proposing to tie the union membership fee to the percentage increases in Collective Employment Agreement wage increases.

Based on the company's current 4% wage offer, the PWUA union fee for full time employees would increase by 16 cents a week to \$4.16 per week. The fee would then increase each time there was a wage increase - by the same percentage as the wage increase.

This would be the first increase in union fees for fourteen years - since the original PWA and PWU were formed in Auckland in 1994 and Wellington in 1995.

The PWUA National Executive of the union decided to put the recommendation for a union fee increase for all members to vote on at the same time as the meetings for the ratification of the new CEA.

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POSTAL WORKERS UNION OF AOTEAROA (NORTHERN)

14 Ahiriri Ave, Avondale, Auckland 0600

I hereby appoint the Postal Workers Union of Aotearoa incorporated to be my authorised representative under Sections 18 and 236 of the Employment Relations Act 2000. For the purpose of this authority any duly appointed representative of the PWUA is empowered to act on my behalf in any matters related to or arising out of the negotiation and application of any Employment Agreement or any other matter relating to my employment at my request. This authority shall continue in force until revoked by myself, giving two weeks notice.

Name (PLEASE PRINT) .....

Signed .....

Date .....

Appointment No. ....

Employer .....

Branch .....

Home Address .....

Home Phone .....

Deduction Authority for  
Postal Workers Union of Aotearoa (Northern)

I authorise my employer to deduct:

\$4.00 per week when I am employed for 30 or more hours per week, or

\$2.00 per week when I am on-call, or employed for less than 30 hours per week from my pay and credit the Postal Workers Union of Aotearoa Northern District.

Please stop any other deductions from my pay to any other union.