

Secretariat
Education and Workforce Committee
Select Committee Services
Parliament Buildings
WELLINGTON 6160

Dear Chair

I wish to submit in opposition to the Employment Relations Amendment Bill. I recommend that this Bill does not proceed to Second Reading.

The main problem with this Bill is that it focuses on strengthening 'union rights', therefore ignoring the 82% of workers who do not belong to a union. It deliberately seeks to diminish flexibility and negotiated solutions between employers and employees in the workplace.

90-day trial periods

I oppose the abolition of 90-day trial periods for all firms except small businesses. The trial periods provide opportunities for young and vulnerable workers to enter the workforce because employers have the confidence to take them on. It is about more than just increasing the rate of employment, it is important because of who benefits – those who appear to present more of a risk and are therefore traditionally less likely to be taken on by employers.

Rest and meal breaks

The rest and meal break provisions take away the choice and flexibility of employees and employers to negotiate break arrangements that suit them. There is no evidence that the current law is not working. This flexibility is important to deal with unexpected events such as changing weather, unexpected rush of customers at a retail store, or a delivery truck arriving that requires unpacking. I oppose the changes to the rest and meal break arrangements.

Employees transferring to replaced contractors

I oppose removing the exemption for small and medium sized businesses from the requirement for employees of contractors to be allowed to transfer. The current law was specifically designed to exempt small businesses under 20 staff because of the burden and disruption from being forced to take on new staff they were not expecting, or even knew anything about. I oppose this change, removing the exemption for small businesses will make them reluctant to grow and take on new work.

Concluding bargaining

I oppose the concluding bargaining provisions in this Bill as it imposes extra requirements on businesses, in order to advantage unions, when negotiating agreements. The existing law already ensures that businesses must negotiate new agreements in good faith. These new requirements disadvantage non-union workers, including forcing workers to pay money to a union, even if they do not want to.

Driving businesses into contracts across an industry

The Bill drives businesses into negotiating the same employment contracts across multiple companies in an industry, if that is what the union wants. This makes it much harder for an employer to innovate by offering their workers extra pay and rewards for doing new things in order to be more efficient than their competitors. In the end, it will be families who pay the price for these changes through higher prices for the essentials they buy, lower pay packets due to poor productivity, or not having new goods or services available to buy that they want.

Forcing businesses to help unions recruit new members

I oppose the use of businesses as a union recruitment mechanism. Employers should not be expected to hand-out promotional material about the union to new staff nor should they have to pass on new employee's details to the union. In particular, the first-month provisions whereby a new employee begins their employment on any applicable collective agreement ignores the wishes of individual new employees. The government has not explained why these changes are needed, so these changes should be removed from the Bill.

Partial strikes on full-pay

Employers should not be expected to pay the full salary or wages to someone who is on a partial strike and not adhering to the terms and conditions of their employment agreement. This change would lose the balance between employers and employees during wage negotiations. It appears the government's goal is to provide unions an advantage when dealing with businesses by allowing them to disrupt the business with minimal cost to the unions.

Union access to workplaces whenever they want

Unions already have very easy access to workplaces to meet with their members at work. Currently, unions must let employers know in advance they are coming, so businesses can deal with issues like facilitating health and safety compliance or informing homeowners if the workplace is someone's home. Like many of the changes contained in this Bill, the government has not explained why these changes are needed, they should be removed from the Bill.

Employers must now pay union members for doing union work

The Bill contains a requirement for employers to pay staff who have taken time out of the business to work on union issues. The problem with this provision is the lack of clarity or guidelines about what is reasonable. Employers are generally willing to allow union representatives to perform their duties as required during work hours. So the inclusion of this provision goes further than current practice and sets no limits on whether union representatives can undertake general union work while being paid by their employers. It should be removed from the Bill on this basis.

Unions can initiate bargaining first

Currently the law specifies the time frames for either party to a collective agreement to initiate bargaining. These are the same for both parties. Now, the Bill seeks to change that so that unions are entitled to have the first opportunity to initiate bargaining. I oppose this change because there is no rationale for taking away the balance between the employers and unions.

Collective agreements to include pay rates

The section on the form and content of collective agreements includes a new proposal to include wages and salary for employees. Most collective agreements currently do not include rates of pay because it is for the employer and employee to determine the best rate of pay based on the unique demands of the job, the experience of the employees, and the ability of the employer to raise rates of pay over time should the employee perform well. By reducing this flexibility, it takes away the ability of employers to innovate and change work arrangements that boost productivity and lead to greater rewards to employees.

Employees treated as if on a union collective for first 30 days

I oppose the proposed changes to treat new employees as if they are on a collective union contract for their first 30 days. There is no reason for why new employees' wishes to be employed under individual contracts should be ignored and over-ridden. This change will also lead to follow-on implications regarding the content and nature of any subsequent individual contract. This in turn leads to a limiting of what pay and conditions an employee can negotiate from their employer. We could end up in the perverse situation where a willing employer cannot pay an employee more due to the inflexible nature of their contract.

[Section for you to write in your own words on your employment experiences and why you oppose the Bill]

I **[wish/do not wish]** to appear before the committee in person to present.

Yours sincerely,

[Your Name]

[Your contact email]