



Food Sector News April 2010

Griffin's - Dave Hereora

Members of the SFWU, EPMU and NDU voted to ratify a settlement that we hope will ensure the future of the Griffin's Papakura plant. Of the 242 members who voted, 184 - 77% voted yes.

Leading SFWU delegate Mary Dunn-Gibb told members after the last vote was counted that she was proud of how far the negotiating team had come during the negotiations after 33 days of face-to-face negotiations.

Griffin's announced last October that they had been looking at relocating their operation to China in what they called "Project Dragon". In a presentation to all workers, they said they could easily pack up the new automated equipment and ship it overseas.

Griffin's is owned by PEP, an Australian equity company. Equity companies are in it for the investment. They bank on increasing the company's value and then selling it off to make a quick profit. They don't care whether they are producing biscuits or selling books. If they can't increase efficiency to improve the value, they'll close the plant. They did just that in Lower Hutt last year.

The company wanted to lay off around 180 current workers at Papakura, including 110 "on-call casuals" who were not eligible for redundancy under the current CEA. We went to the Employment Relations Authority, arguing that they were not casuals and we won redundancy payouts for them. Subsequently 30 of the on-call casuals were rehired as permanent workers.

We got the proposed redundancies of permanent workers off the table during the negotiations, and we have strengthened the redundancy provisions in case the subject of "restructuring" comes up again.

The key changes are first, the introduction of a new skills-based pay structure, linked to portable qualifications through NZQA. The rates begin at \$14.75 for new workers and increase to \$25.

Secondly, new roster patterns will be used to cope with extra production volume. The standard roster shift, based on the 8-hour day, Monday to Friday, will continue for current production with no changes to the current overtime provisions.

The new rosters include a transitional roster based on an 8-hour day worked over 6 or 7 days a week. Workers will choose which 5 days a week they want to work.

The other roster is a 4 on/4 off, 12-hour roster pattern over 8-week periods with T1.2 for all hours worked. Both rosters have T1.5 and T2 for hours worked outside the normal hours of work. Both rosters are voluntary for current workers.

The pay increase is 3% from 1 November 2009, 3% from 1 November 2010 and 2% from 1 November 2011, with the expiry 6 months later to June 2012.

Nestlé Workers Worldwide Say: Stop Nespressure! - IUF



On 25 February the Nestlé Ponda and Nestlé Bicholim unions in Goa, India, held protest actions against trade union rights violations at Nestlé Waters in Russia.

The unions, members of the IUF-affiliated Federation of All India Nestlé Employees, condemned union-busting at Nestlé Domodovo and demanded the reinstatement of the union vice-chair Sergei Strykov.

Last year Nestlé unions in India won collective bargaining rights with the support of the IUF's global Nespressure campaign, and are now extending the same global solidarity to Nestlé workers in Russia.

Six days earlier, on 19 February, Nestlé workers picketed the gates of the company's factory in Montevideo, Uruguay, to demand rights and recognition for Nestlé workers and their unions in Russia and Indonesia.

- story and photo from www.iuf.org

Sealord - Neville Donaldson



Left: The SFWU's negotiating team at Sealord

As a way of progressing this matter the union filed for Facilitated bargaining which the company did not oppose.

The employment authority has ruled that facilitated bargaining is appropriate and has set down 19 April as the kick off date for this process. The authority has also set down 17 and 19 May.

What is facilitated bargaining?

In very simple terms facilitated bargaining is where an independent authority member meets with the parties and after presentation of the facts and arguments from both sides put up a recommendation for settlement.

The recommendation is not binding on either party but is a finding that should be seriously considered.

To my knowledge our union has not been involved in many of these hearings so it is a new experience for everybody.

The hearings will be held at Sealord and members of the union affected will be kept fully informed as the process is undertaken.

I will report back about any progress or outcome in the next newsletter.

Fourteen months down the track and we still have no agreement over the renewal of the Sealord CEA.

We made several requests to meet and discuss this matter, and each time the company advised us that they were not available due to senior management traveling overseas.

It has become clear since the rejection of their draft agreement that they were looking to stall the process and wait for the collective agreement to expire.

The reason for this is that when the collective expires they can offer what ever they like to new workers, however current employees keep all their conditions.

Barnes Oysters - Barbara Anderson

The Bluff oyster season had a good start with the renewal of the Barnes oyster openers' agreement.

Openers received a 13% increase with hourly rate workers receiving an increase of approximately 12%

Barnes oysters are the single biggest oyster opening wholesaling plant in southland and its workers have always been union members.

A lot of the credit for this settlement has to go to the delegate Albie Hibbs who took over bargaining in the absence of the local organizer Barbara Anderson.

All early indications are that oyster numbers are high and condition good so a productive season will hopefully prevail. We just need the weather to behave.

Unfortunately oyster connoisseurs will not be happy with this deal as it will push up the price on what is already a delicacy that few can afford.



However bear in mind that of the twenty odd dollars you pay per dozen the opener only gets seventy cents!

McCain Foods - Thomas O'Neill

McCain Foods members in Hastings are expecting the job to get busy as McCain's invest heavily in the region.

Unfortunately it comes at a time of lost union jobs in Tasmania, with McCain Foods announcing that it will close its vegetable processing plant in Smithton Tasmania at the end of the year with the loss of nearly 200 full-time and casual jobs.*

The company has built extensive new infrastructure at the Hastings site and is expected to expand operations and increase the factory capacity for crops once processed in Smithton.

All up the union believes there will be a significant amount spent in Hastings, at a time the company says ageing infrastructure and rising costs mean the Smithton factory is no longer financially viable.

There is little company commitment to the local labour force in Hastings, as McCain's and the union have been negotiating for 4 years now without a result. The SFWU identified that their Hastings members' entitlements and conditions were the lowest of all the Australia and New Zealand McCain factories.

After over 50 people joined the union in 2006 bargaining was initiated for a better deal.

The employer was antagonistic and hostile to the union and fought access battles for our Member Organiser representatives to get on site, while the company also pursued strategies of contracting out its seasonal work force to a labour hire company and favouring non union employees with pay increases.



SFWU delegate Alex Wall

Long term directly employed McCain Seasonal employees were told they were no longer needed, and to apply to Tradestaff if they wanted a job.

However the union has pursued negotiations by facilitation from the Employment Relations Authority, which can make a recommendation on entitlements and conditions.

The Authority has recommended many conditions on a par with the McCain's Timaru site, but McCain's have stopped short of handing on all of these. Many workers at the factory are looking for a fair deal with a Union negotiated wage increase.

SFWU delegate Alex Wall said "there's a lot of potential here for the workers, and I don't want to see them miss out".

The union continues to negotiate with the company.

**you can read more about this on back page.*

Cadbury - Stevan Briggs

Since the restructuring in 2009 at the Dunedin site (where up to 160 employees lost their jobs) the factory continues to undergo major structural changes.

As part of this process and 'centre of excellence' the company has invested a substantial amount of money on this, up to 70 million in Dunedin alone.

With the takeover of the 186-year-old British chocolate maker by Kraft in February 2010 - which cost them \$US 19.5 billion (\$NZ 27.4 billion) - staff are very much on 'tender hooks' and feel it is very much a waiting game regarding their futures.

Just not knowing whether the company will remain viable or not worries members given the fact that Kraft have had to borrow much of this money to finance the deal.

Barry Conroy, vice president and now acting president of the union sub-branch at Cadbury



Dunedin says concerns were raised in 2009 about the future of the Dunedin plant.

The takeover by Kraft who is renowned for its aggressive cost-cutting practices only adds to the worry of members.

From Our Island to Yours

Anne Urquhart, State Secretary for Tasmania, AMWU



Cadbury

Cadbury announced the closure of the Assortments line, due to the restructure into Centres of Excellence and the movement of this to the Dunedin plant. This meant that approx 160 jobs were made redundant at the Claremont site, a suburb of our capital Hobart. The Claremont site was the first site of Cadbury in Australia, and for those who have not visited our Island it would have to be in one of the most picturesque settings that a factory can be. It is perched on the shore of the Derwent River, with fantastic views looking back to Mount Wellington.

All 160 redundancies have been through a voluntary process, this is due to the Enterprise Agreement we have on the site which allows volunteers to seek redundancy and be given redundancy before anyone is forced. The redundancy agreement also pays 4 weeks for every year of service, and for some AMWU members, who had completed around 30-40+ years service they were able to retire with a handy nest egg.

The restructure has not been without its dramas, the machines are not running as smoothly as management predicted, and as a result the factory has now moved to a 7day operation to ensure enough product is made.

The takeover by Kraft earlier this year had led to some insecurities by members, but there has not been any noticeable change on site at this time.

There have recently been around 100 long term temporary workers who have been made permanent, this was in the main due to changes around the definition of a temporary worker that we achieved in the last Enterprise Agreement.

The one thing I ask of my New Zealand comrades is please continue to make the Turkish Delight the same as our members in Claremont did, it's my favourite.

Comrades in New Zealand, over the last 12-18 months we have more in common than ever before with two of our food and confectionery companies having announced significant changes that impact on our State and your country.

McCain

In November 2009, McCain announced the closure of the vegetable processing plant at Smithton, a small regional town on the far North West coast of Tasmania. On the same site there is also a French fry plant. The company are relocating their vegetable processing to New Zealand.

This was devastating news for the workers, and in fact the whole community of Smithton and the broader North Coast of Tasmania. McCain is a significant employer within Smithton, employing over 250 people directly in the operation, with over 100 of them being made redundant as a result of the closure.

There are also about 100 growers who will be affected by the closure, not to mention the transport etc.

The State Government moved quickly and set up a task force of which the AMWU was a participant and provided opportunities to the region to attract new businesses and create employment.

The AMWU have an Enterprise agreement with McCain which also has a redundancy provision included, this pays 4 weeks for every year of service to those who have been compulsorily made redundant. There was also an opportunity for workers from the French fry plant to apply for voluntary redundancy.

Negotiations with McCain in relation to the process for the application of the redundancy agreement have been tedious and frustrating, but I am pleased to say we have worked our way through this although it has taken much longer than anticipated, with the first group of workers to go on 7 May this year.

The McCain Smithton site was fully unionised, with good wage rates and good conditions outlined in the EBA, my plea to my fellow comrades in New Zealand is get behind your union and support them to ensure the jobs of your comrades in McCain also bring with it good wages and conditions.

**SFWU MEMBER SUPPORT
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